



THE INDEPENDENT

No 3,295

TUESDAY 13 MAY 1997

WEATHER: Sunshine and showers (R45p) 40p



INSIDE THE TABLOID
NETWORK+
HOW TO TALK TO
A COMPUTER



IN THE TABLOID
HRT: A YOUNG
WOMAN'S
STORY



COMMENT PAGE 15
DISNEY
AND
THE BEAST

Britain's mission possible

Anthony Bevins
Political Editor

Strong support for human rights and a rejection of Conservative isolationism were yesterday laid down by Robin Cook, the Foreign Secretary as he took British foreign policy into a new era. Flanked by his new ministerial team, Mr Cook told a press conference: "Our foreign policy must have an ethical dimension and must support the demands of other peoples for the democratic rights on which we insist for ourselves."

"The Labour Government will put human rights at the heart of our foreign policy and will publish an annual report on our work in promoting human rights abroad."

The Foreign Secretary said that would include efforts to clamp down on the exploitation of child labour, by international agreement with individual countries like India and through multilateral trade agreements - and through tough economic sanctions against brutal regimes like Nigeria.

As for the arms trade, Mr Cook said that although Britain was one of the Big Four arms-trading nations, the Government would not allow the sale of arms for internal repression or external aggression, and when an embargo was put in place, every effort would be made to ensure that other countries did not step in to provide alternative sources of supply.

Mr Cook has already heralded a "fresh start" in relations with the European Union, but he said yesterday that he wanted to reverse "the Tory trend toward not-so-splendid isolation".

The Foreign Secretary's message - backed up by a David Puttnam video to be sent out to more than 200 foreign posts - caused embarrassment around Whitehall, because it caught other departments unprepared.

Unveiling his Foreign Office "mission statement", Mr Cook said: "Every modern business starts with a mission statement that sets clear objectives."

"New Labour is determined to bring a businesslike approach to government and today, only 10 days into our term of office,



New arena: Robin Cook, the Foreign Secretary, and his ministerial team in the Locarno Room in the Foreign Office yesterday. Photograph: Peter Macdiarmid

I am launching a new mission statement for the Foreign and Commonwealth Office."

But there was little sign of other government departments following Mr Cook's businesslike approach.

Although Gordon Brown, Chancellor of the Exchequer, went to the Treasury with a new mission statement already drafted, including the basic commitment to high and stable levels of growth and employment, a number of departments were nonplussed last night

by questions about their statements.

Labour ministers have inherited existing aims and objectives left by their Tory predecessors. Under the Tories, the Foreign Office's "Mission" had been: "To enhance the security of the United Kingdom and the dependent Territories, to promote their prosperity and protect British interests and influence overseas, and to protect British nationals abroad."

Mr Cook's replacement statement said: "The Mission of

the Foreign and Commonwealth office is to promote the national interests of the United Kingdom and to contribute to a strong world community."

It would be pursued to secure four benefits: security and prosperity, as well as "mutual respect", which included spreading the values of human rights and civil liberties; and "quality of life", which included a commitment to "work with others to protect the world's environment and to counter the menace of drugs, terrorism and crime."

The only notable difference between the wording of the Tory and Labour statements was the omission of the "transatlantic relationship" in Mr Cook's new mission statement.

But he told the press conference: "Britain will be a more valuable and more valued ally of America if we do actually emerge as a leading partner within Europe, because a Britain which does not have influence in Europe will be of less interest to Washington."

It was also notable that while

the Foreign Secretary's "mission" section on relations with Europe dealt with enlargement of the EU and completion of the single market, there was no mention of economic and monetary union.

John Redwood, one of the challengers for the Conservative leadership, said: "He [Mr Cook] tells us that Britain will now be leading in Europe. Yet all he has done is to surrender more of our rights to self-government."

Leading article, page 13

Or a graveyard of good intent?

Rupert Cornwell

It was the day New Labour stormed the stuffiest citadel of Whitehall, turning the marble and chandeliered splendour of the Locarno Rooms at the Foreign Office into Blackpool's Winter Gardens. And Robin Cook's mission statement could have been an October conference keynote, full of splendid promises untested by sordid economic and political reality.

Take the "ethical dimension" the Foreign Secretary insisted that Britain, that supreme pragmatist among nations, must henceforth give its foreign policy - as a beaming Tony Blair and a beaming Nelson Mandela looked down from the video screen behind him.

"The national interest cannot be defined only by narrow realpolitik," Mr Cook declared, nor could "political values be left behind when we check in our passports to travel on diplomatic business."

But will the Government really put its money where its mouth is, meting out economic punishment to regimes with dubious human rights records - if that means losing business to less squeamish competitors?

The most obvious area of tension is arms exports, where Britain currently ranks only behind the United States. Ideally, ostracism would be global. But nothing leaks like sanctions where multi-million dollar orders are at stake.

So how will Mr Cook's noble goal square with protecting the 200,000 British jobs that depend on the arms industry, especially when component number two of the Foreign Office's stated mission (behind only global security) is to help exports and jobs at home? Yesterday's answer was less than convincing. Precisely because its defence industry was so strong, he argued, Britain had a responsibility in

regulating the arms trade. And will Britain help the "child slaves" in south Asian sweatshops, if that means pushing up the price of playground footballs here, or bar cheap consumer goods from China, if they are manufactured by prisoners or political detainees?

Mr Cook sidestepped some other uncomfortable questions too, among them the precise nature of that much-touted "leading role in Europe" alongside France and Germany. Yes, of course Labour's tone has changed, but exactly where would a nicer but nonetheless Euro-shy Britain lead its part-



ners? Federalism was waning in Europe, he answered.

Still his performance was a polished and seamless as the video presentation about the "Fresh Start for Britain" which had gone before. Sitting alongside the four junior ministers on the rostrum was the Permanent Under-Secretary Sir John Coles, the FO's top civil servant. As the show progressed, his face betrayed no emotion. Simple professional restraint, or silent recognition that, with the best will in the world, diplomacy, like life, can be a graveyard of good intentions

YING
R YOUR
NCE?

Clergy take to the catwalk

Claire Garner

It is the Spring/Summer '97 Cleric Collection. In Britain's first fashion show for church ministers, men and women of the cloth will be strutting their stuff on the catwalk and spreading the word that God and fashion go well together.

Ten clerics have been selected to model multi-coloured designer cassocks, stoles and copes at the 13th National Christian Resources Exhibition at Sandown Park, in Esher, Surrey, next Tuesday. The outfits, by leading textile designers, reinterpret traditional symbolism and colours in a range of modern styles.

The Rev Andrew Roberts, a Methodist minister for Kingswinford and Worsley churches, in the West Midlands, will be making his modelling debut. The 33-year-old will be sporting his £350 "dream suit", designed by Juliet Hemingway. "Nobody else could wear my suit because it's made to measure - much to my wife's delight," he said. "She thinks it's quite fun being married to a male model now."

Ms Hemingway, who made the enthronement robes for the Archbishop of Canterbury, Dr George Carey, and a waistcoat for Sir Cliff Richard, began designing clerics' garb 17 years ago, when a friend asked her to brighten up his black her to brighten up his black preaching scarf. Her "textile approach to the parables" reflects the Victorians' colourful handstitched imagery of pomegranates, grapes and flames.

Mr Roberts' extravagant suit, with its lavish gold fish symbols on the shoulders, wins him many compliments. "People are pleasantly surprised when they turn up and see a trendy minister wearing all this garb," he said. "Someone not wearing three shades of grey, which to me seems to be a contradiction of God's creativity and life."

The Rev Mike Starkey, vicar of St John's Church in Finsbury Park, north London, and author of *Fashion & Style*, a book which asks "Is it a sin to look good?" believes church fashion is about to turn full circle. He anticipates a rejection of the recent trend for casually-dressed clergy and a return to the vibrant regalia of the past.

"Quite a lot of people, particularly evangelicals, have turned against the vestments in the last 20 years because they have seen them as pompous or formal," he said. "But now a whole generation of younger evangelicals who are rebelling into tradition..."

The Rev Barbara Knight, 50, curate at St George's Parish in Norton, Hertfordshire, is one of two female models in the show. She will be donning garments designed by J&M Sewing of Newcastle.



Role model: The Rev Andrew Roberts dons his 'dream suit' in preparation for the clerics' show. Photograph: Keith Dobney

The whisky galore merger

Nigel Cole
City Correspondent

Two of Britain's leading drinks companies caught the stock market by surprise yesterday when they agreed a £20bn mega-merger that will create the world's largest spirits group.

The deal brings together Guinness and Grand Metropolitan to form a new company, G&G Brands. It will be the world's seventh largest food and drinks group, behind giants such as Coca-Cola, Pepsico and McDonald's. With a stock market value of £21bn, it will also be the United Kingdom's eighth largest company.

Hatched over a dinner between the two chairmen a month ago, the deal brings together a breathtaking collection of major brands which include Guinness's Bell's scotch whisky and Gordon's gin and Grand Met's Smirnoff vodka, J&B whisky and Bailey's liqueur.

It also unites Grand Met's food interests, which include the Burger King restaurants and Häagen Dazs ice cream, with Guinness's Brewing Worldwide, which produces the famous stout.

The new company confirmed that there would be around 2,000 job losses from its combined total of 85,000. However, it said these would be spread around the world with no single country bearing the brunt. The deal could signal a wave of mergers and takeovers in the

fragmented spirits industry which has been plagued by stagnant sales volumes and an inability to raise prices in mature markets in industrialised countries. Grand Met's chairman, George Bull, said: "Scale is critical to compete globally in these markets today. This is a win-win situation."

It could also lead to higher spirits prices, although both Guinness and Grand Metropolitan denied this yesterday. The Consumers' Association said it would be looking at the deal. The merger still has to be cleared by the European regulatory authorities.

G&G Brands will account for almost 10 per cent of world spirits sales, which total 2.2 billion cases. It will have a turnover of almost £13bn and profits of £2.2bn. Shareholders in the two groups will receive a special dividend of at least 60p per share as G&G Brands plans to return £2.4bn of cash to them.

The deal means the Guinness name will disappear as a corporate identity after nearly 250 years. Founded in Dublin in 1759 it changed its name to Guinness from Arthur Guinness & Sons in 1985. A year later it launched the controversial bid for United Distillers which subsequently led to the jailing of the then chairman, Ernest Saunders.

Shares in both companies rose yesterday as the City welcomed the merger. Full story, page 16
Comment, page 17

NISSAN
YOU CAN
DRIVE WITH A NISSAN

"A superb driver's car that's as good on mountain passes as it is on the motorway."

(CHRIS BONNINGTON EAT YOUR HEART OUT)

IT'S A DRIVER'S CAR. SO DRIVE IT. THE NEW PRIMERA

FOR MORE INFORMATION TELEPHONE 0345 00 00 00



THE BROADSHEET	Essay	Letters	Arts
Business & City 16-19	Foreign News 9-11	Obituaries	Concise Crossword 14
Shares	Gazette	Sports	Listings
Comment	Home News	NETWORK + TABLOID	TV & Radio
Crossword	Leading article	Arts Reviews	Weather

news

significant shorts

Director of homes for the disabled guilty of neglect

A director of two private homes for mentally disabled people was yesterday convicted of wilfully neglecting residents in her care.

Angela Rowe, 39, was found guilty of wilful neglect by denying adequate toiletries and rationing toilet paper. Kingston Crown Court had heard residents would sometimes have to use curtains to wipe themselves when the toilet paper ran out.

Rowe, of Windsor, Berkshire, faces two further counts of ill-treating patients at Stoke Place, Mansion House and Stoke Green House in Stoke Poges, Buckinghamshire. The charges cover a 10-year period, from when the first home opened in 1983, to 1993.

The jury also convicted one of Rowe's senior care supervisors of ill-treating one of the mentally disabled residents. Lorraine Field, 42, of Stoke Poges, Buckinghamshire, was found guilty of repeatedly slapping Christopher Queffuroux, who was blind, across the back of his head as he covered in a chair.

Desmond Tully, 33, who now runs a home near Exeter, Devon, was found not guilty of one charge against him on Friday. He also faces three further counts of ill-treatment. The jury will return today to consider the eight outstanding charges. Judge John Baker had earlier directed them to find the defendants not guilty of another four charges of ill-treatment.

Louise Jury

Angry fisherman block Sullom Voe

Fourteen small fishing boats yesterday blockaded the entrance to Europe's biggest oil terminal, Sullom Voe in Shetland, in protest over compensation for a huge oil spill.

Shetland Islands Council, the harbour authority for the terminal, said it would commence civil and criminal court actions against the shellfish boats if they did not depart today and allow the free passage of supertankers. The boats' crews and skippers are angry about the ending of compensation payments 20 months ago by the International Oil Pollution Compensation Fund.

Their livelihoods are still harmed by restrictions on catching shellfish in waters off western Shetland, due to oil pollution from the wreck of the tanker *Braer* four years ago. Sullom Voe played no part in that oil spill, when the tanker, sailing from Norway drifted on to cliffs and lost her cargo of crude.

Nicholas Schoon

Filming to start on Elizabeth I epic



An £18m film charting the early life of Elizabeth I will start filming in Britain in August, it was announced today.

The film, *Elizabeth I*, will be made by Working Title Films, the same company that made *Four Weddings and a Funeral* and the Oscar-winning *Fargo*. It will be released in autumn 1998 with a major international actress in the central role.

No decision has yet been made on who will play the virgin queen, but Britain's Kate Winslet (pictured) is a possible contender. Filming will take place at locations throughout Britain, including Hampton Court, the Tower of London and possibly Haver Castle in Kent.

Tina Bevan, co-chairman of Working Title Films will produce the film, which will be directed by Shekhar Kapur, who also directed *The Bandit Queen*.

Jumbo door fault at 21,000 feet

Alarmed cabin crew persuaded a British Airways captain to return to Gatwick airport after a faulty door on a jumbo jet started to move towards the open position at 21,000ft, it was revealed today.

Cabin crew members had to hold on to the door handle as the captain guided the Boeing 747, with 306 passengers on board, safely back, an Air Accidents Investigation Branch report said.

The flight crew knew there was a problem with the door but engineers had cleared it before the flight on 2 November, 1996. But the door handle was seen to rotate after take-off and cabin crew struggled to keep it in the closed position. The aircraft dumped 46 tonnes of fuel and landed safely. BA said yesterday: "At no time were any passengers or crew in any danger and the inherent design of the door prevents its opening in flight."

Man charged over takeaway murder

A Turkish man appeared in court in Chelmsford, Essex, yesterday, charged with murder after a man's body was found in a derelict takeaway restaurant in Maldon. Vedat Kayretli, 24, was remanded in custody for four weeks and ordered to appear before Chelmsford magistrates on 9 June. He is accused of murdering Fevzi Demir, 35, between 15 September last year and 21 April.

Inquiry into deaths of elderly in care

Police are carrying out an inquiry into the death of five elderly nursing home patients, it was confirmed last night.

It followed complaints over alleged mistreatment and neglect against staff at the private Forebank Nursing Home in Dundee. The inquiry into the home, owned by millionaire businessman Peter Marr, is at the request of the procurator fiscal.

A spokesman for Tayside Police said: "Inquiries are being conducted at the request of the procurator fiscal concerning several complaints received regarding the treatment of residents within the Forebank Nursing Home."

people



Asil Nadir: The former Polly Peck chief tells Roger Cook of his plans (Photograph: Carlton)

Nadir vows to return and fight to clear his name

Fugitive financier Asil Nadir is due to launch a court action this week against the Serious Fraud Office, claiming a breach of legal process.

The former boss of the collapsed Polly Peck International conglomerate says his lawyers will seek compensation from British authorities for millions of dollars in company shares he claims he lost during the seven years since investigations against him began.

A successful action by Mr Nadir would lead the avenue open for other Polly Peck shareholders to sue the SFO and other law agencies for their losses.

In an interview with the ITV programme *The Cook Report*, Mr Nadir also maintained he is prepared to return to this country to clear his name.

He is making his legal move following the successful appeal against conviction of his former adviser, Elizabeth Forsyth, two months ago. Mrs Forsyth is said to have returned voluntarily from Cyprus in 1994, as a "sitting horse". The theory was that if she walked free, Mr Nadir would return to London.

He had fled to Northern Cyprus, with which the UK

has no extradition treaty, in May 1993, after a two-and-a-half-year SFO investigation resulted in charges that he had stolen £30m from Polly Peck and had taken part in false accounting.

Mr Nadir is said to be much encouraged by the Court of Appeal ruling. He has instructed his solicitor, Peter Knight, of the London firm Vizards, to institute proceedings.

The action is expected to hinge on four sets of allegations. One is that Mr Nadir's defence papers were removed during raids on his premises by the SFO. These papers were then passed on to various law agencies, thus compromising his defence.

It is also alleged that Michael Francis, a police informer with a conviction for attempted murder, and a timeshare saleswoman, Wendy Welshe, were employed by police and the SFO to discredit Mr Nadir by implicating him in a fake "plot" to bribe the trial judge, Mr Justice Tucker. Mr Nadir's lawyers are also expected to claim that the businessman would not get a fair trial because of the deluge of publicity over the case. Kim Sengupta

Swimmer makes crossing from Cuba to Florida

Exhausted but beaming, Susie Maroney, a 22-year-old Australian, last night stepped ashore at Key West, on the southernmost tip of the US, after becoming at least the first woman to swim the Florida Straits from Cuba. She and her back-up team say she is the first person to make the crossing, but some record books say a man called Walter Poesch did it nearly 20 years ago.

Swimming inside a floating anti-shark cage, towed by a boat, Maroney crossed the treacherous waters, one of the world's great swimming challenges, in 25 hours, far less than the 40 hours she had predicted. Southerly winds picked up her speed.

Havana, where she plunged from the Malecon promenade (right) in front of bemused Cubans more accustomed to seeing their countrymen flee on rafts, is just over 90 miles from Key West. But the Australian probably swam more than 100 miles because of winds and currents.

After swimming the last 200 yards outside her cage, Maroney was helped ashore in front of a small group of applauding tourists. "Welcome to America," said one. "I'm really happy. It's a dream I've always had," she said. Her next plan? "Just a rest." But she is expected to tackle the 30-mile swim around New York's Manhattan Island.



Relatives and aides in the boat towing her cage said they had used satellite photos and infrared images to select the best route. Even the anti-shark cage was state of the art.

During her last attempt at the Straits last June, Maroney, Australia's long-distance swimming champion, was thrown against the cage, injuring her arms and wrists. She opted to swim outside the cage for 10 hours on that occasion but this time her aides advised her to stay inside after seeing two curious sharks approach.

She gave up last year's attempt 12 miles short of the Florida Keys. Yesterday, she made it, after treading water every five hours to drink high-protein, superhydrating drinks and nibble on baby food, yoghurt and crushed bananas. Phil Davison, Miami

Walker killed by lightning strike

A young man was killed by lightning as he and his girlfriend took a stroll at a cliff-top beauty spot.

Stewart Ibbotson, 22, of Horsforth, Leeds, died instantly when a violent storm erupted. Julia Wright, his 24-year-old girlfriend, was blown off her feet and suffered burns to her face and legs.

The couple tried to dodge the showers during a day out at Flamborough Head, near Bridlington, East Yorkshire, but had nowhere to shelter when the storm struck on Sunday night.

A large crowd of walkers on the cliff-top, between the lighthouse and a fog signalling station, went to the couple's aid, but were unable to help.

The Humberside Police helicopter was called in to airlift Miss Wright to Hull Royal Infirmary. She was transferred to the Kingston General Hospital, Hull and was said to be in a "comfortable" condition yesterday.

Chief Insp Colin Fleming of Humberside Police said: "This was a tragic event. They could not have known that the weather was going to change so quickly."

"The area they were walking in is extremely exposed on the cliff-top. It had been overcast all day and suddenly a violent storm broke out for a short period."

"The area is very popular with day visitors and a large crowd began to gather very quickly. But there was nothing anyone could do."

briefing

FINANCE

Customers benefit from rise of 'branchless bank'

The rise of the "branchless bank" has benefited most customers and retailers, such as supermarkets, who have entered the financial market, according to a new report.

Nearly one in five branches disappeared between 1989 and 1995. Banks and building societies have been reducing the number of branches since the mid 1980s, although the process accelerated in the early-1990s recession.

"At-a-distance" banking has brought many benefits to customers, researchers from Bristol University found. For example, telephone banking is convenient and accessible, and lower operating costs mean such banks are able to offer highly competitive rates of interest.

But low-income families have suffered because of this. The study, funded by the Economic and Social Research Council, found that closures were more likely to happen in poorer areas, whereas the more affluent were more likely to keep their local branches.

Moreover, because of their low incomes, and where they live, such people are more likely to be subject to exclusion by the credit-scoring systems - which look at things such as income level, how your account is run, bad debts - and increasingly used by banks and building societies to determine who are "good" and "bad" customers.

Such systems are substituting for the judgement of local branch managers, who used to use their day-to-day knowledge to determine who was a good or a bad risk. Glenda Cooper

TRANSPORT

Child seat danger revealed

More than half (54 per cent) of child car seats are incorrectly fitted and 90 per cent of deaths and injuries could be avoided if the seats were used correctly, according to figures from the RAC.

A campaign to highlight the dangers of incorrectly fitted or wrongly used car seats was launched yesterday by the supermarket chain Sainsbury's, Mother and Baby magazine and child car seat manufacturer Britax.

A survey in June's issue of *Mother and Baby* claims that 96 per cent of readers want more done to help parents fit seats correctly.

"Children these days travel nearly everywhere by car, with the average child clocking up about 4,000 miles per year," said a spokeswoman for the campaign.

"This initiative aims to improve on the RAC's frightening statistics."



LEISURE

Not enough spending on fun

Council spending on "fun" has increased - but not by enough, according to the Chartered Institute of Public Finance and Accountancy.

While there was an increase of 2.29 per cent in net expenditure per head on leisure and recreation services, CIPFA says this was "barely sufficient" to keep up with inflation.

The biggest individual area of spending was on indoor sport, which accounted for more than a third, followed by outdoor sport (22.2 per cent) and arts (17.1 per cent).

The distribution varies, with county councils placing more emphasis on funding arts activities (spending 33 per cent), compared with district councils, which spend 63 per cent of their total expenditure on funding sports, both indoor and outdoor.

Wales spends the most per head - £38.19 - although this is down by £2.72, followed by London, which spends £35.22. Metropolitan areas spend £29.55 and English shire counties and districts spend £28.29 per head. Glenda Cooper

HEALTH

Doctors ill-equipped to treat ME

Almost all family doctors now recognise the reality of Chronic Fatigue Syndrome, but few are said to offer sufferers any helpful advice.

A survey for the support group Action on ME, published yesterday, showed that 96 per cent of GPs accepted that CFS existed. But only 33 per cent are able to give patients any advice on coping with its debilitating symptoms.

Action on ME said the problem was that doctors did not receive proper training about the condition.

CFS, also known as Myalgic Encephalomyelitis or ME, causes long periods of weakness and lethargy which in extreme cases can leave victims bedridden. Sufferers also complain of headaches, aching muscles, sleep disturbance and depression.

The survey also showed that 94 per cent of CFS sufferers are forced to give up work.

More than 60 per cent benefit from alternative therapies, the most popular being aromatherapy massage, acupuncture, homeopathy, meditation and yoga.

Action on ME estimates there are more than 150,000 sufferers in Britain.

THE INDEPENDENT ABROAD

Austria	£4.00	France	£15.00
Belgium	£4.00	Italy	£14.00
Canada	£4.00	Malta	£3.25
Cyprus	£3.25	Norway	£4.00
Denmark	£4.00	Portugal	£3.25
Finland	£4.00	Spain	£4.00
France	£14.00	Sweden	£3.25
Germany	£4.00	Switzerland	£4.00
Greece	£4.00	USA	£3.00
Luxembourg	£4.00		

OVERSEAS SUBSCRIPTIONS

By mail, 13 weeks Europe £110.70; Zone 1 (Middle East, Africa, Asia and India) £134.00; Zone 2 (Far East and Australasia) £206.70. To order, please send cheque payable to Johnstone International Media Services Ltd to 43 Millhouse Lane, London E14 3PE or telephone 0171-538 8288. Credit cards welcome.

BACK ISSUES

Back issues of the Independent are available from Historic Newspapers, telephone 01988 240370.

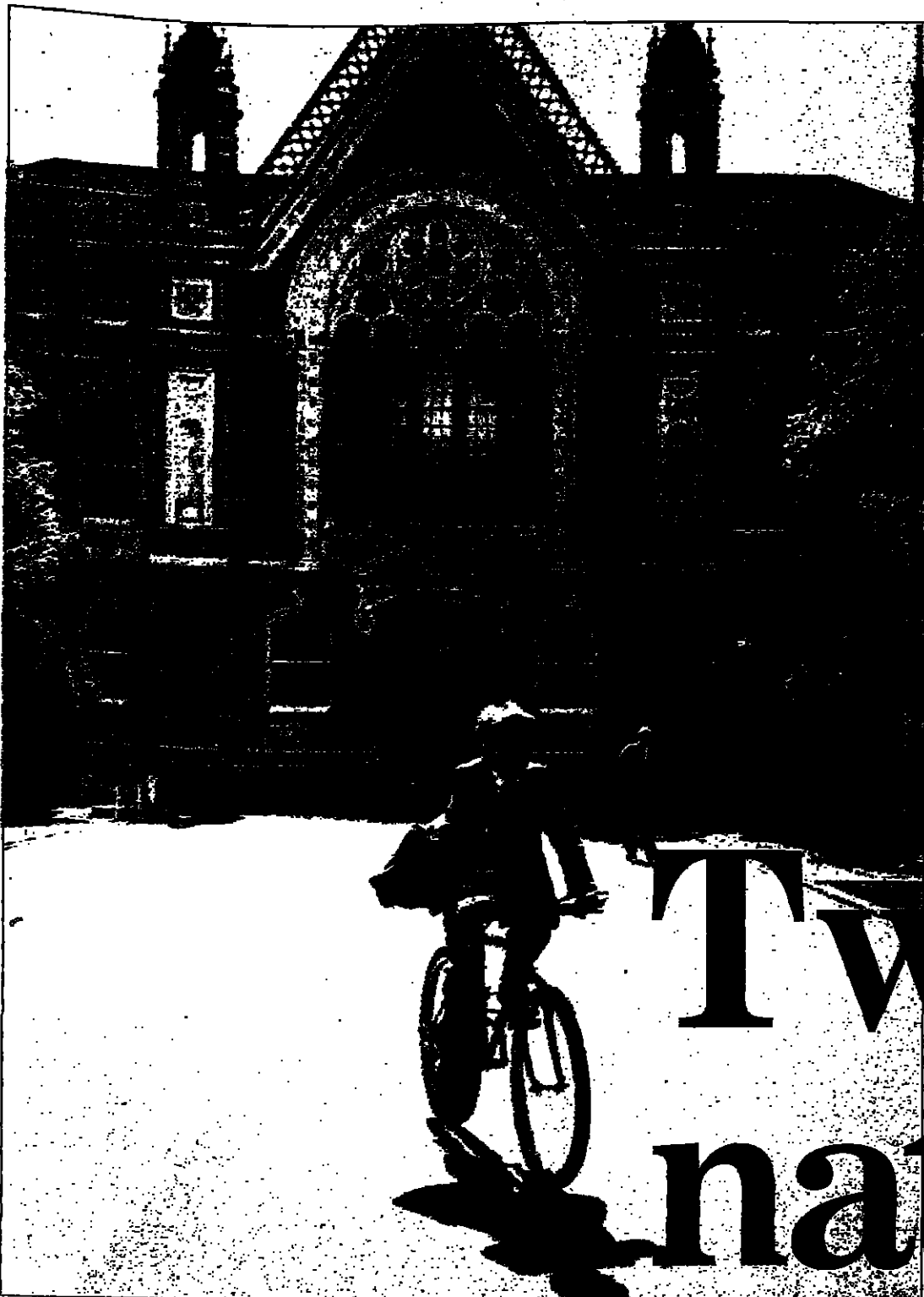
ORGANISE

...BECAUSE DIRECT DEBIT IS THE EASIEST WAY TO BUDGET YOUR BILLS AND IF AN AMOUNT OR DATE OF A DD SHOULD EVER CHANGE, YOU'LL BE NOTIFIED WELL IN ADVANCE.

UK BANKS AND BUILDING SOCIETIES

DIRECT Debit

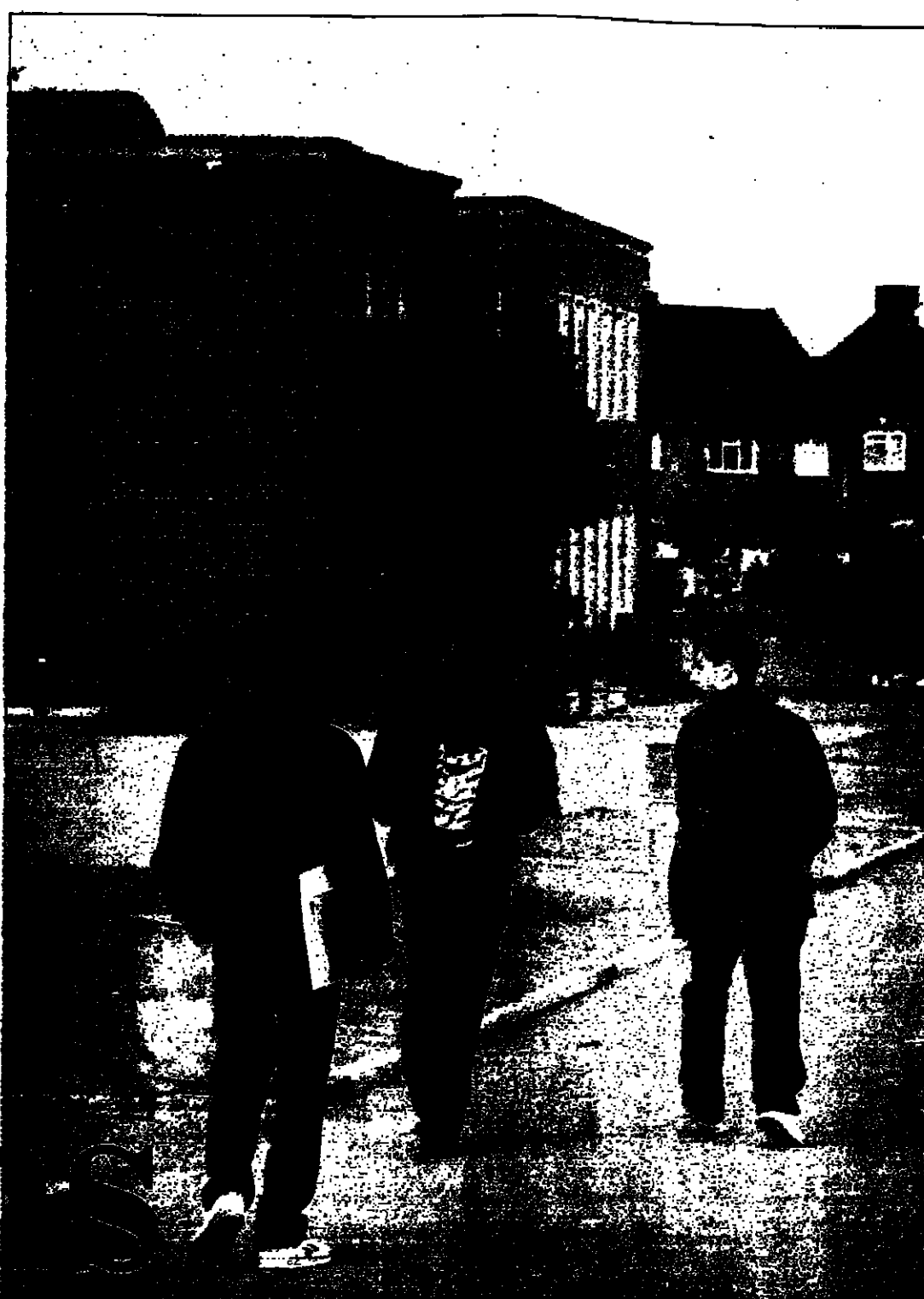
DD YOUR DOUGH



Dulwich College: 'Very interested in co-operation with the public sector' Photographs: Peter Macdarmid

Independent schools are booming as never before while some state-run schools sink irrecoverably. Labour's top priority is how to bridge what it calls educational apartheid

Two nations



Ashburton School: 'There are some problems for which you can't blame staff or pupils - like architecture'



The number of pupils in independent schools has shown its biggest increase for a decade as confidence in the economy returns.

As the Government prepares to abolish the assisted places scheme which helps bright children from poor families attend fee-paying schools, figures released yesterday reveal a 1.7 per cent rise.

The Independent Schools Information Service (Isis) which collects data for 80 per cent of fee-paying schools said there were 473,816 pupils in its schools in January - a rise of 7,600 on the previous year and amounting to 8 per cent of the school population.

There was an increase of more than 11 per cent in pupils on assisted places - up to 37,183 - after the Conservative government's decision to extend the scheme to primary pupils.

Overall, the biggest increases were among the youngest pupils: numbers in secondary schools fell by 0.4 per cent while those for nursery schools went up by 6.3 per cent and primary by 3.3 per cent.

The number of pupils from abroad increased by 9 per cent.

Boarding numbers continue

The private sector success

to decline but the fall seems to be slowing, particularly among girls.

The overall increases were achieved despite a average rise in fees of 5.2 per cent, up slightly on the previous year. Average fees are now £1,533 a term

back to the time when the Greater London Council paid for 80 per cent of the boys.

They were looking for alternatives to the scheme. He added: "We will do everything we can to maintain the socioeconomic catchment of the

Independent schools are in a strong position to withstand any pressure from the Government

for day pupils. Nearly a third of pupils receive some form of help with fees, mostly from the schools themselves.

Isis argues that many schools with assisted places are heavily over-subscribed and will have little difficulty finding fee-paying pupils to fill their places.

Graham Able, head of Dulwich College, in south London (fees for day pupils £1,995 a term), which has 270 out of 1,400 pupils on assisted places, said the school hoped to maintain a tradition which went

school. It makes for a better education for every boy who comes here that we have people from a wide variety of backgrounds.

"We would be very interested in ways in which we could co-operate with the public sector without affecting our independent status."

The school already hosts a Saturday school for bright state primary pupils, funded by a charity, at which members of the school's staff teach for a small honorarium.

Independent school heads

said they would protest to the Government about its plans to withdraw funding from preparatory school pupils on assisted places when they leave for senior schools at the age of 11 or 13.

Michael Mavor, head of Rugby School and chairman of the Headmasters' and Headmistresses' Conference, said the schools were interested in opening up their facilities to state school pupils, for example for specialist language teaching or Oxbridge tuition.

He said: "If schools are shut off from their local community but are absolutely thriving there is something wrong because it isn't related to the real world."

"But if you are running a school for fee-paying parents you can't make everything they pay for available to the local community. There is a balance to be struck here."

David Woodhead, director of Isis, said: "Parents are voting with their children for independent education in big numbers."

"Independent schools are in a strong position to withstand any pressure which may come from a Labour government."

Judith Judd



Failing schools need support rather than criticism if they are to reverse their spiral of decline, according to the head of one school on Labour's list of institutions which require "special measures".

George Varnava was appointed last December to oversee the recovery of Ashburton School in Croydon, south London, which was strongly criticised by inspectors in December 1995 and acquired the dreaded "failing" label six months later.

After the wave of bad publicity and loss of local confidence generated by the inspection report, the school is attempting to go "back up the spiral the other way", the head says. A series of interim inspections have charted some improvements, but as one of the longer-stayers on the failing list Ashburton will be all too aware of the new government's pledge to close schools which do not improve fast enough.

Planned legislation to be outlined in tomorrow's Queen's Speech would give the Secretary of State for Education and Employment powers to close persistently failing schools over the heads of local education

The failing state school

authorities. They could then be reopened on the same site with a new head and some new staff.

Two terms at the helm have underlined for Mr Varnava, a former president of the National Association of Head Teachers brought in to manage Ashburton

habit of slipping out of school during the day.

Mr Varnava, arriving to find a school originally designed as a hospital, with stone-flagged floors, cut excess noise at a stroke by carpeting the corridors, while a new fence on the

There are some problems in individual schools for which you can't blame the staff or pupils

until a new head takes over in September, that simply heaping blame on a school will not help its recovery. He also insists that - whatever ministers may believe - there is no magic formula in setting a school back on the pathway to success. "A school is a community," he says, "it is not just about structures and therefore you can't apply a common formula to every school."

Among inspectors' criticisms of Ashburton were the boisterous behaviour of pupils between lessons and youngsters'

school boundary has effectively discouraged escapees. He says: "There are some problems in individual schools for which you can't blame the staff or pupils, and architecture is one."

Less simple to resolve, however, were the problems of high exclusion rates at the 11-16 comprehensive. The new head expelled 11 pupils permanently and 35 temporarily in his first two months in charge, but hails as evidence of growing good order the fact that both numbers halved in March and April.

Lucy Ward

The Labour pledge: Funding for assisted places abolished

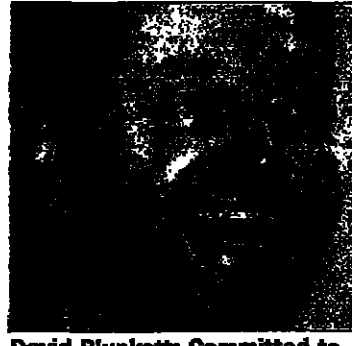
Labour's first education Bill will abolish the assisted places scheme and use the money saved to reduce class sizes for pupils aged five to seven. The cost of the scheme is £117m a year, due to rise to £180m.

Pupils with assisted places will continue to be

funded until the end of the current phase of their education. Those in senior schools will be funded up to A-level, but those in preparatory schools will not receive funding when they move on to senior school.

The Government is looking for ways to bring

state and independent schools closer together. A key passage in the Labour election manifesto makes clear the party's position: "The educational apartheid created by the public/private divide diminishes the whole education system."



David Blunkett: Committed to changing the system

The Labour pledge: Fast track procedures to improve standards

New legislation to be proposed in tomorrow's Queen's Speech will give the Secretary of State for Education and Employment powers to replace the "hit squads", devised by the Tories to take over failing schools, with a new "fresh-start" policy under which schools

could be closed and reopened with a new head, new governors and new staff. The Government also proposes fast-track procedures for removing poor teachers.

At present, only local education authorities can close schools, though ministers have indicated

that they intend to push LEAs to move faster to bring on failing schools not considered to be improving quickly enough.

Bedside manner fails to impress doctors on call

Jeremy Laurence
Health Editor

They do not feature in any medical text book, but every GP is familiar with them: the bizarre calls made in the small hours of the morning by patients who view their family doctor like the local pizza delivery man.

Despite efforts by medical organisations to deter trivial calls, patients persist in phoning their GP for advice ranging from the mundane to the highly personal, according to a survey.

One 82-year-old woman called up Dr Thomas Abraham of Hull at dawn one morning complaining she had been awake since 4.30am seized with "an irresistible desire for sex". Wisely refusing to leave the security of his own bed, Dr Abraham offered her advice over the phone. He declined to visit

"for reasons of personal safety." Dr Timothy Woodman, from Gillingham, Kent, was called by a woman at 3am who wanted him to remove her sleeping daughter's contact lenses. He, too, declined to leave his bed.

A Birmingham GP told of being called on a Sunday evening for help with a crossword on the grounds that the answer was "a medical word", and another in Grays Thurrock, Essex, declined to visit a patient complaining of "excess wind".

The survey, by the medical magazine *Pulse*, also records the case of a woman who walked from her home in Horsham, Essex, to her GP's surgery - only to ask for a home visit as her phone was broken.

A British Medical Association spokeswoman said out-of-hours calls to GPs had risen fivefold over the past 20 years.

In less than three decades, the song thrush and many once-familiar species of British wildlife have fallen into severe decline.

Their habitats destroyed by intensive farming and their roles as natural pest controllers, soil improvers and recyclers replaced by a one-sided dependence on chemicals.

As a saver with Triodos Bank you can help turn the tide. For over 20 years our savers' money has been lent to businesses such as organic farms and food producers.

Sustainable, environment-friendly agriculture supporting a rich variety of wildlife. Triodos Bank, the positive choice.

Please send me more information about Triodos Bank savings accounts. No stamp required.

Mr/Mrs/Ms/Miss _____

Address _____

Postcode _____

Tel _____ INT _____

Triodos @ Bank
The bank for ethical savers.

FREEPOST BS9292, BRISTOL BS8 3BR

news

Bizarre case of the CIA man, the hostage and a desert suicide

Michael Streeter

A British businessman worked as an agent for the Central Intelligence Agency and had been involved in negotiations to free the church envoy Terry Waite from kidnappers in the Middle East, a coroner's inquest was told yesterday.

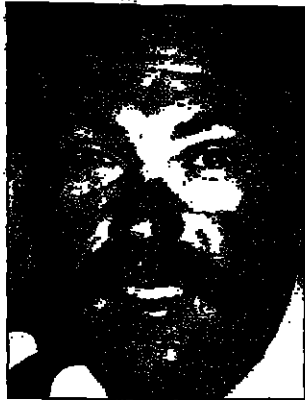
Ian Spiro, 46 - who was found dead in his car in the Californian desert in November 1992 days after his wife and three children were killed in their San Diego home - was said to have been a "low-level conduit" for the CIA. He was said to have been recruited by the disgraced United States Marine Lieutenant Colonel Oliver North because of his extensive business contacts in the Lebanon.

But the hearing at Whitehaven magistrates' court was also told that San Diego police concluded Mr Spiro had committed suicide after killing his family because of £3.5m business debts.

The West Cumbria coroner recorded a verdict of unlawful killing on Mr Spiro's wife, Gail, 42, and their children Sara, 16, Adam, 14, and Dina, 10, who were shot while in their beds at the family's home at Rancho Santa Fe in November 1992.

Mr Spiro, who was found dead from cyanide poisoning in his car in the Californian desert days later, on 8 November, was not subject to the proceedings in Whitehaven because he had been cremated and buried in the United States.

In a statement read out by the coroner, John Taylor, Mrs Spiro's mother, Margery Brunskill, said that her son-in-law had been employed by the CIA and British intelligence. "We believe that Ian was murdered by some terrorist group originating from the Middle East or under the direction of the CIA," she said.



CIA 'conduit' Ian Spiro (above), and hostage Terry Waite



Mr Taylor added that the family was unhappy with the US police's version of events and would be continuing their fight to get the full facts disclosed.

A book by a US expert on terrorism has claimed that Mr Spiro - who had often been called James Bond because of his accent and "activities" - had been "liquidated" by an Iranian hit squad for being prepared to reveal the identities of those behind the hostage-taking in Lebanon.

In a statement read out at the inquest, Eugene Douglas, former US ambassador to Britain, said that he knew Ian Spiro to

be a CIA agent who used the name John Smith.

Interviewed by Federal Bureau of Investigation officials, Mr Douglas had said in the statement: "Spiro had a part in the release of Terry Waite and had passports in several names and from several countries."

"He had 15 to 20 years working in Beirut and had strong links with the Shias, that is how he was brought to the attention of the CIA and to Oliver North."

Mr Douglas referred to the dead man as "not a covert employee" of the CIA but a "low-level conduit". Before his death Mr Spiro had contacted Mr Douglas wanting help from Robert Gates, head of the CIA - but the message was never passed on.

A 1995 San Diego police department report found that Mr and Mrs Spiro owed \$5m to various banks, credit cards and individuals. They examined evidence that Mr Spiro had tried to use a Quia board to help him win the California lottery and a book called *Final Exit*, on the best methods of suicide, which was found in his car. The report concluded: "It is evident that Ian Spiro killed his family and then committed suicide. Case closed. Suspect deceased."

After Ian Spiro was found dead, backpackers discovered belongings of his in the desert, including tapes recorded on a dictaphone. A US clinical psychologist concluded that he had become an "isolated and rigid" individual whose "melancholy attitude" had taken him beyond depression.

Mr Taylor said: "The family do not accept the circumstances of the report by the San Diego Police and I understand they are involved in further investigations in America."

"This was a tragic case," he added.



Grand design: Mentmore Towers - headquarters of the Maharishi Foundation - which is expected to fetch £10m-£15m

Photographs: John Voos

Stately home for sale: could suit yogic flyer or maharishi

Louise Jury

Transcendental meditation is proving so popular in Britain that the organisation which teaches it, the Maharishi Foundation, is selling its Grade I listed home and searching for a new one.

Savills, the property agents, expect a price of between £10m and £15m for Mentmore Towers in Buckinghamshire and its 81-acre grounds.

The Maharishi Foundation,

an educational charity which works under the guidance of Maharishi Mahesh Yogi, has had its headquarters at the 19th century house since 1978.

The Natural Law Party, whose yogic flying candidates have highlighted the teachings of the Maharishi in the last two general elections, also rent rooms there.

Dr Geoffrey Clements, of the foundation's trustees, said Mentmore had been a "superb home" and they would be sad to leave. But he added: "The success we are experiencing with our activities means we are looking for a new home."

The building was designed by Sir Joseph Paxton, the man who designed Crystal Palace, and built for Baron Myer Ansel de Rothschild in 1855.

It passed to Hannah Rothschild who married the 5th



Detail from the marble chimney in the central hall. Right: The Maharishi Mahesh Yogi

Earl of Rosebery, who was prime minister in 1894-95. But when the 6th Lord Rosebery died in 1974, the 7th Earl, Neil Archibald Primrose, faced considerable duties.

He offered the house and its treasure trove of art and antiques to the Government in lieu of duties for a reported sum of £3m.

But the Government refused, provoking a storm of protest. Sotheby's arranged an auction of the contents in May 1977 which became known as "the sale of the century".

What was arguably the finest private collection of continental art and antiques in the country was sold for £6m in nine

days. Part of the estate was also sold to become the Mentmore golf and country club.

The house includes a grand hall, five state and major reception rooms, seven bedroom suites and around 50 more bedrooms. Many rooms have ornate gilt work and wooden panelling - the most splendid of which is the dining room, lined with 18th century gilded boiseries, originally designed for the French royal house, and panels of Genoese velvet bought from the Duke of Buckingham at Stowe. The style is Italian palazzo in the public areas and French Versailles in the reception rooms.

There is a series of fine mar-

ble fireplaces originally imported from the Continent, including an enormous marble chimney piece in the central hall. This was reputed to have been designed by Rubens for his home in Antwerp.

Ian Stewart, for Savills, said: "This is a magnificent stately house, probably the most important to be offered in 1997. It is rare for a property of this calibre to be offered on the market."

Part of the Maharishi Foundation's expansion will include taking in up to several hundred students for its newly-formed Maharishi College of Management and Technology which runs courses approved by London University.

Glasgow tries to scotch Edinburgh's Cannes bid

A traditional and very British rivalry is about to invade the Cannes Film Festival.

David Lister reports on a clash of the clans erupting at the film festival

On the seafloor, there will today be a high-profile launch of the Glasgow Film Office. At a champagne breakfast, the Lord Provost of Glasgow in his kilt, accompanied by Tom Clarke, the new minister responsible for films and tourism, will tell the world's film makers to come to Glasgow to shoot their movies.

It has a wonderful mix of gritty housing developments and beautiful scenery. What is more, it was the place where *Trainspotting* was shot.

But a few desks away in the British Pavilion, the Edinburgh Film Office will be putting up their posters and selling their city to Hollywood's finest as the place to shoot their movies.

It has gritty housing estates and beautiful scenery, they will boast: what is more, it was the place where *Trainspotting* was shot.

"My office has been going for seven years now, and Glasgow are sping it," said a disgruntled George Carlaw, of the Edinburgh and Lothian Scene Industries Office Limited.

"We have a massive range of locations. And we can recreate the Highlands with the scenery in Mid-Lothian. And I am prepared to close Princes Street or the Royal Mile for film makers. Indeed I did get the Royal Mile closed for the making of *Jude*.

"Of course we want the film makers to come to us rather than to Glasgow. And if they want gritty housing developments, we've got all that too."

Hilda McLean, spokeswoman for the Glasgow Film Office, responded: "We are already the film city. We have 75 per cent of Scotland's film and TV crews living in the

area. It's a film-friendly city. And 95 per cent of the production of *Trainspotting* took place in Glasgow.

"As for the scenery, it's a 20-minute drive to Loch Lomond, you have got parks right in the middle of Glasgow and wonderful Victorian architecture."

And so, film makers and members of the public will today watch a piece of British pageant when Glasgow's Lord Provost, Pat Lally, is played across the Croisette by a piper in full Highland dress to declare: "Come to us and make your next movie in Glasgow."

If those same film makers follow him into the British Pavilion they could witness another piece of British pageant - a very unglorious row between the clans.

Festival salutes 'shy' Bergman

Ingmar Bergman lived up to his reclusive image when he failed to appear to receive his prestigious "Palm of Palms" award at the 50th Cannes Film Festival.

The 79-year-old Oscar-winning Swede, who has made more than 30 films in his career, said he was too shy and old to collect the unique prize at Sunday's awards ceremony at the Palais des Festivals in front of 800 guests. It was accepted on his behalf by his daughter Linn Ullmann and her mother Liv who read out a statement, saying: "After years and years of playing with the images of life and death life itself has finally caught up with me and made me shy and silent. I want to say thank you to everybody."

Bergman, who made *The Seventh Seal*, *Wild Strawberries* and *Persona*, was selected for the prize by two dozen surviving Palme d'Or winners including Britain's Mike Leigh and Roland Joffe, and Americans Martin Scorsese and Francis Ford Coppola. Earlier, the Golden Palm winners had lunched with French president Jacques Chirac.



Family affair: Linn and Liv Ullmann collecting the award

Health insurance

Call Prime Health and you could save up to £200 on your premium.

Call 0800 77 99 55 now, or fill in the coupon for a no-obligation quote.

Title	First name	Surname
Address		
Postcode		
Phone (inc. STD code) Day	Evening	
Date of birth of the eldest person requiring cover		
Cover required: Single <input type="checkbox"/> Married <input type="checkbox"/> Family <input type="checkbox"/> Single parent family <input type="checkbox"/>		
Renewal date of current insurance (if applicable)		
If you'd prefer a representative to visit please tick box <input type="checkbox"/>		
Please post to (no stamp required) Prime Health Limited, FREEPOST, (M1 2T2)		
Bulford 001 488, http://www.primehealth.co.uk		

MOS018NG

Saving money doesn't mean compromising cover. Unlike some other plans of a similar price, Primecare places no financial limits on surgeons' and anaesthetists' fees.

And unlike some others, we even offer you a no-claims discount of up to 50%.

Why pay more than you need?

Prime Health

A member of the Standard Life Group

مكتبة من الامم المتحدة

Victory for the jurors who couldn't decide

Patricia Wynn Davies
Legal Affairs Editor

Two women jurors who were controversially jailed for refusing to reach a verdict in a counterfeiting trial were cleared by the Court of Appeal yesterday.

The court said Judge Anura Cooray, who jailed Bonnie Schot and Carol Barclay for 30 days, should never have presided at the contempt case against them, particularly in view of the "element of bias" and the anger he had shown at an earlier hearing.

Lord Justice Rose, sitting with Mr Justice Forbes and Mr Justice Keene, said the judge should have passed the case to another senior Crown Court judge or to the Attorney General, failing the two women was "not appropriate."

Lord Justice Rose said, adding that there was no previous recorded instance of a juror being imprisoned for contempt. John Perry QC, counsel for Ms Schot, 20, had told the three appeal judges that the secrets of the juryroom were immune from judicial scrutiny and that the judge had displayed "apparent bias" against his client after ordering the case they had been hearing, a £100,000 17-day counterfeiting prosecution, to be abandoned.



Not guilty: Carol Barclay, left, and Bonnie Schot

Although Ms Schot, the jury foreman, and Ms Barclay, 32, were released on bail the following day, Judge Cooray, 61, strongly defended his action, insisting that jurors had to recognise their responsibilities if the justice system was to be upheld.

The controversy began when Judge Cooray was passed a note from the jury saying that it was unable to reach any decisions owing to "some jurors' conscious [sic] beliefs. Please advise." The judge then demanded a more detailed explanation, and the names of the jurors concerned.

Ms Schot, who had been planning to study law, gave a different version of events later, when she insisted she had not found it possible to reach a conclusion on whether the defen-

dants were guilty or not guilty. It was Ms Barclay's case throughout that she was unable ethically to judge anyone, but had lacked the courage to say so when she was sworn in.

Stephen Solley QC, for Ms Barclay, said the jailing of the women sent "the wrong message and shock-waves to potential jurors up and down the land." Overbearing jurors might use the threat of exposure of a weak juror as a weapon to secure agreement, he warned.

David Pannick QC, appearing as *amicus curiae*, or "friend of the court", said it was a clear contempt for a juror to refuse to perform the task of giving a verdict, which meant that Ms Barclay was guilty of contempt. She was cleared yesterday, however, on natural justice grounds.

ITV lobbies for regions

Paul McCann
Media Correspondent

ITV kicked off a lobbying campaign yesterday aimed at persuading the new Labour government of its commitment to regional programme making.

The channel sent to MPs, MEPs and peers the results of a survey that found three quarters of viewers believed ITV served their local interests better than the BBC.

The survey showed that 58

per cent of viewers preferred ITV's local news compared with just 39 per cent for the BBC. It also showed 59 per cent of viewers chose ITV's local arts and entertainment programmes compared with 22 per cent for the BBC. Leslie Hill, ITV's chairman, admitted that the report had been timed to follow the general election, but denied the channel was trying to cosy up to the Labour Party.

"This is quite a good time to be doing this," Mr Hill said.

"New Heritage Secretary Chris Smith has said he is keen to ensure regional programme making is protected. It is important that we make ourselves known. We spend £200m a year on regional programmes and regional news - which is a mind-boggling figure."

ITV has begun lobbying with an eye to next year's licence renegotiations. The 15 ITV licences will begin talks next year to reduce the £400m they pay annually to the Treasury.



Leader of the pack: Barry Humphries, who took to the stage last night as Fagin in *Oliver!* Photograph: Nicola Kurtz

Dame Edna to pick a pocket or two

Dame Edna Everage's alter ego Barry Humphries yesterday returned to a role he last played 30 years ago - Fagin in the West End musical production of *Oliver!*

His arrival marks the fifth time in just three years that London Palladium bosses have been forced to repaint their billboards.

The man behind the outrageous antics of Dame Edna and the Australian cultural attaché, Les Patterson, has taken over the starring role from Robert Lindsay.

Lindsay himself followed Russ Abbott, Jim Dale and Jonathan Price as the leader of the Victorian gang of young pickpockets.

In the original production of *Oliver!* in 1960 Humphries, now 64, played the part of Mr Sowerberry, the undertaker.

He played Fagin when the show transferred to Broadway and his last appearance was in 1967, playing Fagin in a production at London's Piccadilly Theatre. Standing on the steps of the London Palladium in Argyll Street, just off Oxford Circus, yesterday he said: "Look at me. I look like I should be selling a special edition of the *Big Issue*."

Gone was the familiar glitz of Dame Edna. Instead flowing locks of hair lay over his shoulders and he smiled a toothless grin as he posed with members of the child gang who also made their stage debut in *Oliver!* last night.

Books for Better Health

Here is a new range of Books for Better Health. Over 100 different titles covering everyday health problems. All you have to do is simply tick the book(s) you want, complete the coupon below and return the whole of this announcement to the address shown. Postage and packaging included in the price.

- ☐ The Assertiveness Workbook - A plan for busy women.....£5.99
- ☐ Beating the Comfort Trap.....£5.99
- ☐ Birth Over Thirty-Five.....£5.99
- ☐ Body Language - Read the thoughts of others by their gestures.....£5.99
- ☐ Body Language in Relationships.....£5.99
- ☐ Boost Your Metabolism.....£5.99
- ☐ Calm Down - How to cope with frustration and anger.....£4.99
- ☐ Cancer - A Family Affair.....£5.99
- ☐ The Candida Diet Book.....£5.99
- ☐ Caring for Your Elderly Parent.....£5.99
- ☐ Caloric Irrigation.....£4.99
- ☐ Comfort for Depression.....£5.99
- ☐ Coping Successfully with Hay Fever.....£5.99
- ☐ Coping Successfully with Migraine.....£5.99
- ☐ Coping Successfully with Pain.....£5.99
- ☐ Coping Successfully with Panic Attacks.....£5.99
- ☐ Coping Successfully with PMS.....£4.99
- ☐ Coping Successfully with Prostate Problems.....£5.99
- ☐ Coping Successfully with Your Irritable Bladder.....£5.99
- ☐ Coping Successfully with Your Irritable Bowel.....£5.99
- ☐ Coping Successfully with Joint Replacement.....£5.99
- ☐ Coping with Anxiety and Depression.....£5.99
- ☐ Coping with Blushing.....£5.99
- ☐ Coping with Breast Cancer.....£5.99
- ☐ Coping with Bronchitis and Emphysema.....£5.99
- ☐ Coping with Candida - Are yeast infections draining your energy?.....£5.99
- ☐ Coping with Chronic Fatigue.....£4.99
- ☐ Coping with Cystitis.....£5.99
- ☐ Coping with Depression and Bloating.....£5.99
- ☐ Coping with Eczema.....£4.99
- ☐ Coping with Endometriosis.....£5.99
- ☐ Coping with Psoriasis.....£5.99
- ☐ Coping with Schizophrenia.....£5.99
- ☐ Coping with Stomach Ulcers.....£5.99
- ☐ Coping with Throat.....£5.99
- ☐ Coping with Thyroid Problems.....£5.99
- ☐ Crunch Potatoes for Complexes.....£5.99
- ☐ Curing Arthritis Diet Book.....£4.99
- ☐ Curing Arthritis Exercise Book.....£4.00
- ☐ Curing Arthritis - The Drug-Free Way.....£5.99
- ☐ Curing Arthritis - More ways to a drug-free life.....£4.99
- ☐ Coughing, Colds and Flu - The Drug-Free Way.....£4.99
- ☐ Depression - Why it happens and how to overcome it.....£4.99
- ☐ Divorce and Separation - Every woman's Guide to a New Life.....£5.99
- ☐ Everything Parents Should Know About Drugs.....£5.99
- ☐ Gambling - A Family Affair.....£5.99
- ☐ The Good Stress Guide.....£5.99
- ☐ Heart Attacks - Prevention and Survival.....£5.99
- ☐ Helping Children Cope with Bullying.....£5.99
- ☐ Helping Children Cope with Grief - Facing a death in the family.....£5.99
- ☐ Helping Children Cope with Stammering.....£5.99
- ☐ Hold your Head Up High.....£5.99
- ☐ How to be your own best friend.....£5.99

- ☐ How to Cope When the Going Gets Tough.....£5.99
- ☐ How to Cope with Bulimia.....£5.99
- ☐ How to Cope with Difficult Parents.....£5.99
- ☐ How to Cope with Difficult People.....£5.99
- ☐ How to Cope with Splitting Up.....£5.99
- ☐ How to Cope with Stress.....£5.99
- ☐ How to Enjoy Your Retirement.....£5.99
- ☐ How to Improve your Confidence.....£5.99
- ☐ How to Interview and be Interviewed.....£5.99
- ☐ How to Love and be Loved.....£5.99
- ☐ How to Pass Your Driving Test.....£5.99
- ☐ How to Stand Up for Yourself.....£5.99
- ☐ How to start a Conversation and Make Friends.....£4.99
- ☐ How to Stick to a Diet.....£4.99
- ☐ How to Stop Worrying.....£5.99
- ☐ How to Untangle your Emotional Knots.....£5.99
- ☐ How to Write a Successful CV.....£5.99
- ☐ The Incredible Sulk.....£4.99
- ☐ The Irritable Bowel Diet Book.....£4.99
- ☐ The Irritable Bowel Stress Book.....£4.99
- ☐ Is RRR Right for You?.....£5.99
- ☐ Jealousy - Why it happens and how to overcome it.....£5.99
- ☐ Learning to Live with Multiple Sclerosis.....£5.99
- ☐ Living with Angina.....£5.99
- ☐ Living with Asthma.....£5.99
- ☐ Living with Diabetes.....£5.99
- ☐ Living with Grief.....£5.99
- ☐ Living with High Blood Pressure.....£5.99
- ☐ Making the Most of Yourself.....£5.99
- ☐ Menopause A practical self-help guide for women.....£5.99
- ☐ Migraine Diet Book.....£4.99
- ☐ Motor Neurone Disease - A Family Affair.....£5.99
- ☐ Out of Work - A Family Affair.....£5.99
- ☐ Overcoming Anger - When anger helps and when it hurts.....£5.99
- ☐ Overcoming Stress.....£5.99
- ☐ The PMS Diet Book.....£5.99
- ☐ Serious Mental Illness - A Family Affair.....£5.99
- ☐ Stop Smoking - Self-hypnosis audio cassette.....£5.99
- ☐ The Subfertility Handbook.....£5.99
- ☐ Talking About Anorexia - How to cope with life without starving.....£5.99
- ☐ Trim your Bum.....£5.99
- ☐ Think Your Way to Happiness.....£5.99
- ☐ 10 Steps to Positive Living.....£5.99
- ☐ Understanding Obsessions and Compulsions - A self-help manual.....£5.99
- ☐ Understanding Your Personality.....£5.99
- ☐ Weight Control - Self-hypnosis audio cassette.....£5.99

© 1997 Carnell Ltd, 26 Charles Square, London N1 6HT

To order, simply tick the book(s) you would like, complete the coupon below and return the whole of this announcement, along with your payment to Carnell Ltd, Dept SP, Main Road, Alresford, Colchester, Essex CO7 8AP

Please send me the _____ Books for Better Health ticked above.

I enclose payment of £ _____ as follows:

☐ I enclose a cheque/postal order, payable to Carnell Ltd

☐ Please charge my Visa/Master/Switch card as follows:

Name _____ Exp date _____ Issue No. _____

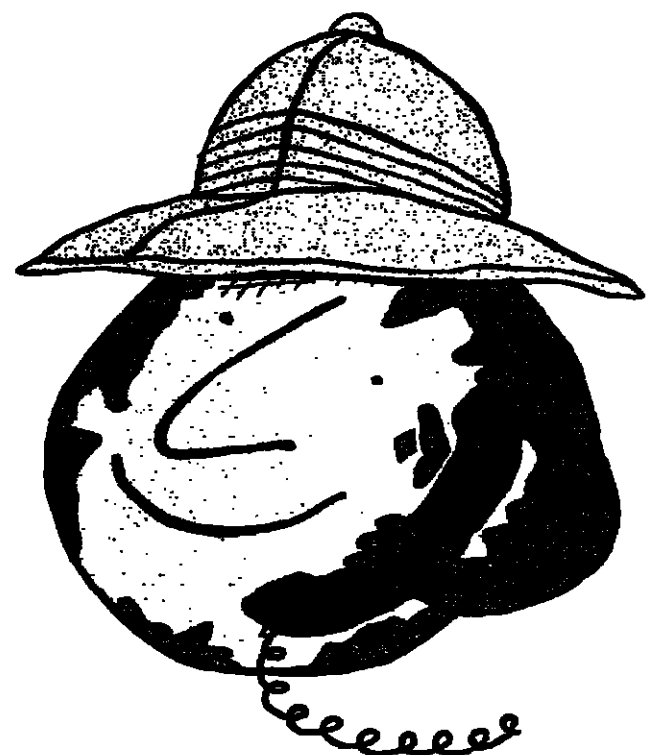
Address _____

Post Code _____ Date _____ Signature _____

Delivery of books by post. Delivery of books by post is subject to the availability of books. Delivery of books by post is subject to the availability of books. Delivery of books by post is subject to the availability of books.

MERCURY COMMUNICATIONS

CABLE & WIRELESS



OUT OF UK INTO AFRICA
FOR JUST 33p PER MINUTE.

SUNDAY SUNDAYS

All over the country the drums are beating. And the message: Call South Africa on selected Sundays this summer, and when you talk for

make great savings. With Mercury SmartCall you can enjoy savings of at least 20% on all international calls every day of the year. So call Mercury now. Then look forward to a long hot gossip.

five minutes or more, all it will cost is a ridiculously low 33p per minute. The 8th July, the 27th August and the 7th September are the dates to remember. But of course, it's not only on selected days that you

Mercury SmartCall
FreeCall 0500 500 366
quote ref RSINDSN

Prices and savings correct as at 1 May 1997, compared against BT's rate for international calls of 55p/min. 1st min. 10p, 2nd min. 45p, 3rd min. 35p, 4th min. 30p, 5th min. 25p, 6th min. 20p, 7th min. 15p, 8th min. 10p, 9th min. 5p, 10th min. 0p. SmartCall is available for a quarterly fee of £5.95. All prices incl. VAT.

politics

EU rewards 'positive attitude' of new ministers

Brown secures green light on VAT reduction

Sarah Helm
Brussels

The Government's drive to sweeten relations with the European Union intensified yesterday as Gordon Brown, the Chancellor, promised a "constructive and positive" attitude towards the EU's economic agenda.

Jack Cunningham, the Agriculture minister, spoke of a "new approach" to the beef ban and an end to the "aggressions and intransigence" of the past. He also promised a constructive approach to the fish quota-hopping controversy.

The two ministers, both on their first visits to Brussels since the election, won swift praise from European partners for their overtures, which secured some positive results.

Mr Brown yesterday secured a deal under which the European Commission signalled it would not attempt to block the Government from reducing VAT on domestic fuel. Brussels officials had earlier warned that the VAT reduction ran counter to the spirit of an EU directive on tax harmonisation.

Mr Cunningham, meanwhile, was told that the commission would work "as fast as it could", within the constraints of scientific advice, to secure a gradual easing of the beef ban.

Despite the new harmony, however, the British ministers were made aware that smooth-talking will soon have to give way to tough decision-making. After yesterday's finance ministers' council, Mr Brown was forced to side-step questions on when the Government would decide on whether to join the single currency.

Under the Maastricht treaty, Britain must notify its partners of whether it wants to join at the start, on 1 January 1999, by the end of this year.

Yesterday the Chancellor refused to be drawn on how such a notification might be formulated, and maintained his election-campaign position, that the Government is keeping its options open on whether to seek backing for membership in a referendum.

Furthermore, despite market rumours to the contrary, Mr Brown maintained he had "no plans" to take Britain back into

the exchange rate mechanism, a move other member states would see as an indication of readiness to sign up to the euro.

Nevertheless, it was evident yesterday that pressure on Britain to take a view on the euro is already increasing as the deadline for the launch approaches.

The finance ministers cleared the way for Portugal and Spain to join in the first wave, by agreeing the countries' economic convergence programmes.

Yves Thibault de Silguy, the Economic Commissioner, welcomed Mr Brown's decision to move towards the creation of an independent Bank of England as a "step in the right direction" towards meeting a key Maastricht criterion.

For Mr Cunningham, yesterday's discussion brought to the fore the enormous hurdles which have yet to be surmounted if Britain is to secure a lifting of the beef ban.

Mr Cunningham said he would present a "new agenda" on how to make progress but conceded that it would be foolhardy to suggest any new deadlines for easing the ban.

Labour caution on quotas

Nicholas Schoon
Environment Correspondent

The Government made a sharp change of tack on the issue of quota-hopping foreign vessels yesterday.

During the election campaign Labour insisted that once in power it was prepared to block crucial inter-governmental Conference (IGC) talks on the future of the European Union unless Britain's demands were met.

But yesterday Jack Cunningham, the Minister of Agriculture, Fisheries and Food, said Britain wanted to avoid making quota-hopping a sticking point at the IGC's con-

cluding talks in Amsterdam next month.

Less than a month ago the Tories promised that they would block final agreement at the talks if the other 14 member-states did not agree on adding a protocol outlawing quota-hopping to the Treaty of Rome, the EU's founding treaty.

At the time Tony Blair told BBC Radio 4: "We certainly have not ruled out holding up IGC business in order to get the right changes to fishing policies that are in Britain's interest."

The conclusions of the IGC will settle the future direction and development of the EU. Yesterday, however, Mr Cun-

ningham told BBC Radio 4's 7-day programme: "We have to steer clear of making that a major issue at the inter-governmental Conference. I think these problems of BSE and quota-hopping have a different timescale and they will be solved by strong representations from British ministers... on a continuous basis. I don't expect them to form a significant part of the discussions at the IGC."

Later a Foreign Office spokeswoman said that the Government was not insisting on a new protocol to outlaw quota-hopping, but it was determined to make progress on the issue.



A new York subway train covered in graffiti. Young offenders in Britain would be required to clean the trains as punishment for their crime. Photograph: Rex

Jason Bonetto
Crime Correspondent

Penal affairs groups expressed concern yesterday at government plans to order children as young as 10 to carry out work in the community as a punishment for crimes.

Under the proposals to be announced by Labour in the Queen's Speech tomorrow, young offenders can be told to apologise to their victims and make reparation by either doing work directly connected to their crime, or for the wider community.

The scheme, which was suggested by Jack Straw, the Home Secretary, last year will form part of Labour's new Crime and Disorder Bill. The aim of the new "reparation orders" is to make young people understand the impact of their offences on victims. At present offenders aged between 10 and 16 cannot be ordered to do community work. They are usually fined, which Labour believes rarely acts as a deterrent.

Punishment to fit the crime for young offenders

But Paul Cavadino, chairman of the Penal Affairs Consortium, an alliance of 33 organisations, said any work should be confined to dealing directly with the victim. He said: "A mini-community service order is unlikely to work with child offenders. To carry out a sustained piece of community work requires a degree of maturity."

Harry Fletcher, assistant general secretary of the National Association of Probation Officers, added: "Schemes must

benefit the community, attract the co-operation of the child and reduce the chances of reoffending. Ideally, these youngsters should be involved in creative activities from which they can take pride in producing something."

The reparation orders are aimed at children involved with less serious offences, such as vandalism and shoplifting. Details of an order, such as how many hours a youngster would have to put in during its three-month duration,

would be drawn up by Youth Offender Teams, made up of representatives from local authority social services and education departments as well as probation officers, which would also oversee their implementation.

Depending on individual circumstances, youngsters could be ordered to work directly for their victims, or to pay their debt by working for the wider community, either individually or in groups.

The Youth Offender Teams will also be able to insist on offenders providing a written or verbal apology to their victims.

Typically, vandals who scrawl graffiti on a neighbour's wall could be ordered to clean it up, while those who vandalise parks could be put to work picking up litter or replanting trees.

The orders will make up part of a package of measures in the Bill designed to tackle youth crime, they include a proposal for court-ordered curfews for children as young as 10 who are allowed to roam the streets late at night.

Barclayloan

Your next limo.

A Barclayloan can stretch it over 7 years.

Never has a Barclayloan been quite so affordable. Not only can you borrow £10,000 - £15,000 at a highly competitive 13.9% APR. Now, you could stretch any loan of £10,000 or more over 7 years. So a £12,000 car, for example, can cost as little as £220.01 a month.

If you're a Barclays customer, call us now on 0500 200 250 or call into any branch. If you aren't, simply post the coupon to the address shown or pop in and see us. Whether you're thinking about a car, a kitchen or a trip of a lifetime - we've stretched our loans, so you won't be.

Name: _____ Address: _____ Postcode: _____

Amount required: £ _____ Repayment period: _____ yrs.

Post this coupon to: Barclays Bank plc, EKT, PO Box 2000, Nottingham NG7 1BR.

13.9% APR - rate applicable on loans between £10,000 and £15,000. Typical example - £12,000 loan repayable by 94 monthly repayments of £220.01 with a total amount payable of £18,400.44 excluding Barclays Finance. A written quotation is available by calling 0500 200 250 or from Barclays Finance, PO Box 323, Liverpool L69 2RE. To apply for a Barclayloan you must be 18 or over (20 in Jersey). Subject to status. Barclays Bank PLC is a member of the Building Societies Scheme (UK branches only). Please note that some telephone calls made to Barclayloan Direct may be recorded or monitored for training purposes.

Lib-Dems to oppose class-size plans

Fran Abrams
Political Correspondent

Government plans to cut class sizes to below 30 for all five- to seven-year-olds are unworkable, the Liberal Democrats' education spokesman will claim this week.

Don Foster and his party will oppose the proposals, to be unveiled in tomorrow's Queen's Speech, on the grounds that there will not be enough funds available to pay for them.

The Liberal Democrats' manifesto promised that all primary school pupils would be taught in classes of less than 30. It said the plan, to be phased in over five years, would cost £475m per year once it was implemented.

Labour says its more modest plan will cost £100m, and will be financed through the abolition of the assisted places scheme, under which 37,000 pupils receive between £2,500 and £3,000 per year to help pay their private school fees.

However, opponents say there are two flaws with the Labour plan. The first is that the assisted places scheme will be phased out over seven years to allow pupils complete their education. The second is that the abolition of the scheme will mean more pupils move into state schools, costing around £2,000 each per year.

On the plus side, the Tories had planned to expand assisted places, putting the cost up from £117m to £180m. That means a saving of £63m which the new government can use to help fulfill its class-size pledge.

Mr Foster, the Liberal Democrats' education spokesman, will say that the Government's plans do not go far enough. His party will seek to amend the proposed legislation during its passage through the House of Commons, although with a huge Labour majority the protest is unlikely to have much success.

"Labour's plans to cut class sizes are a pale shadow of the Liberal Democrats', which would cut class sizes to 30 for all children under 11 years," he said last night.

Brown gets last say on minimum wage

Barrie Clement
Labour Editor

The national minimum wage may not be introduced until 1999 in order to give employers time to adjust their pay rates, according to Whitehall sources.

It is also expected that there will be two minima - one for adults and a "training rate" for 16 and 17-year-olds to encourage companies to take on school-leavers.

The 15-strong Low Pay Commission, which will be announced tomorrow in the Queen's Speech, will advise on the rate, but the final decision will lie with Gordon Brown, Chancellor of the Exchequer.

If the Chancellor believes the rate is too high he could ignore it, delay its introduction or phase in the new minimum as the previous administration did with the recommendations of the pay review bodies.

While unions have called for a rate struck at half male median earnings - currently calculated at £4.42 - the commission is unlikely to stick to any particular formula. In fact, the minimum is more likely to be in the region of £3 to £3.50 at current prices and be introduced next May at the very earliest.

Ian McCartney, trade and industry minister, said yesterday that the commission would have a wide range of functions, but it is known that the Government has set its face against any suggestion that it could form the basis for a resurrected National Economic Development Council, a tripartite body which advised successive governments in the 1970s on the economy.

Addressing the conference of the General Federation of Trade Unions in Bournemouth, Mr McCartney said the commission would be set up "very quickly" as part of the Government's plans to narrow the poverty gap.

Mr McCartney told the federation, an organisation for small unions, that the aim of the commission would be to restore a "fair balance" to the world of work.

The commission, made up of employers' and workers' rep-



Ian McCartney: Aiming to restore 'fair balance' at work

wage takes effect smoothly and successfully in all parts of the economy." He said a minimum wage would reduce staff turnover and absenteeism, improve productivity and create jobs.

As part of the debate on the Queen's Speech, Robin Cook, Foreign Secretary, is expected to confirm that unions will once more be recognised at the GCHQ spy network headquarters at Cheltenham. Senior management at the centre is urging Mr Cook to impose a "no-strike" deal on unions as part of the arrangement.

The Government Communications Staff Federation, an association formed in the absence of orthodox unions, is expected to merge with the PTC civil service union.

Legislation to ensure that small business is compensated for the late settlement of bills, with interest charges being levied on late payers, is also to be included in the Queen's Speech. However, details of the plan will not be known until the Department of Trade and Industry has completed consultations on the penal action.

Legal & General takes a scalpel to healthcare costs

The result is Lifetime HealthCare. Available exclusively from Legal & General, Lifetime HealthCare is the first plan that delivers more kinds of care at a lower monthly premium. It covers your authorised hospital costs, including medical and dental treatments, post-operative nursing and day care, provides a renewable cash fund for dental, optical and other healthcare expenses. And it adds the peace of mind of a bonus of jump sum accident insurance.

We've put extra cover and extra care plus a lifetime's experience of insurance into our healthcare plan... for you to enjoy the benefits.

Available only to persons up to 60 years of age.

Lifetime HealthCare from Legal & General

FIND OUT MORE TODAY

PHONE 1 FREE QUOTING SERVICE

0500 66 99 66

WEEKDAYS 9am - 5pm WEEKENDS 9am - 5pm

FOR YOUR PROTECTION CALLS WILL ONLY BE RECORDED AND MONITORED IF NECESSARY

...or if you prefer, write to us at Legal & General Healthcare, Dept B17/DJ02, FREEPOST SWC 0467, Cardiff, CF10 1YU

or contact us on the internet, <http://www.legal-and-general.co.uk>

Legal & General Direct Limited (Registered in England No. 272225)

Registered Office: 15 Temple Court, 11 Queen Victoria Street, London EC4A 3DF

All Lifetime HealthCare policies are underwritten by Legal & General Assurance Society Limited

Howard's dark side brought to light

Kim Sengupta
and Fran Abrams

Ann Widdecombe, the former prisons minister, is due to meet the Speaker of the House of Commons this week to find ways of placing highly damaging allegations against her former boss, Michael Howard, in front of the House of Commons.

The decision by Ms Widdecombe to go public with grave complaints against Mr Howard could fatally weaken his position in the contest for the Conserv-

Ann Widdecombe to tell Commons that ex-home secretary misled MPs over prison chief sacking

ative Party leadership.

Ms Widdecombe is due to see Betty Boothroyd on Thursday. She has stated that she has evidence that Mr Howard, then home secretary, misled Parliament and acted improperly over the sacking of head of Prison Service, Derek Lewis. She is determined that "the truth shall be out" before the Conservatives elect their new leader. She has also told friends

that she had decided to speak out "months before", but had waited until after the general election.

Ms Widdecombe has also stressed that if the Tories had won she would have refused to serve under Mr Howard and "resigned immediately" before making her knowledge available to the party hierarchy.

She has denied that she was so worried about events at the time of Mr Lewis's sacking that

she had deposited papers with her lawyer. But she told friends she has a "detailed knowledge of what happened" and she would not "like to die without the story being told."

Miss Widdecombe, who has had two conversations about the affair with Derek Lewis, has said publicly that she would be making "no comment" about the matter. She has not been contacted by anyone from Mr

Howard's camp, or any of the other leadership contenders.

She told friends that "Once a leader is elected, the Tory Party must swing behind him. But the fact is Michael Howard is not fit to lead the party or the country". She has also described him as "dangerous stuff", and that there is "something of the night" in his personality.

Last night, Mr Howard's friends said Miss Widdecombe's

claims that he was difficult to work with were "unsustainable."

His campaign was being run by David Maclean, a former Home Office minister who had worked with him for years, and Tim Collins, his former special adviser. "The two people in this party who have worked longest with him are supporting him," one backer said.

Mr Howard would promote himself as the toughest candi-

diate, he added. A Labour leader who had been nicknamed "Stalin" and "Kim Il Sung" should be opposed by someone equally tough who had the strength to reform his own party.

Mr Howard's friends say he would move to centralise and modernise the Conservative Party in similar ways to those used by Tony Blair in the Labour Party.

Last night another contender, Kenneth Clarke, warned that the party would render itself unelectable if it swung to the right under a Euro-sceptic leader.

Mr Clarke compared the Tories' current position with that of Labour in the 1980s, when it rejected Denis Healey in favour of Michael Foot because Healey had upset the unilateralist disarmers. That decision had cleared the way for a generation of Conservative rule, he said.

Leaderless Scots Tories look to Europe as way out of the mire

Douglas Fraser

At a garden party in Lanarkshire this weekend, Scottish Conservatives will be searching for a way out of the mire that engulfs them. Ironically, those attending will be looking with a Euro-friendly demeanour towards a role model in Germany's Christian Social Union.

The option of becoming an independent Unionist party – similar to the right-wing, regional CSU which dominates Bavaria while supporting Chancellor Kohl's Christian Democrats at federal level – will be considered by the Tory rump left after the election call.

Arthur Bell, chairman of the Scottish Tory Reform Group, has commissioned a study of the CDU/CSU link, and hopes to have results when up to 80 invited members of the party gather in a marquee at his home near Biggar.

The meeting will be no social gathering: a newspaper survey

found that of 38 constituency chairs who responded (there are 72 seats in Scotland), only 15 said the party should continue to oppose home rule; eight backed support for devolution and 15 said there should be no party line in this autumn's referendum on Labour's Scottish Parliament plan.

Sixteen out of 38 thought the party should break with the past by changing its name, nine of them preferring the Scottish Union Party.

The fact is that Tories north of the border are thinking of splitting from England while remaining Unionist, looking at adopting a federal relationship with London. That they are considering these measures, and a U-turn on their opposition to home rule, shows some desperation – or imaginative thinking – from a leaderless party trying to find whether and how it can salvage a future for itself.

The party has no MPs – down from ten before the election –



Faded glory: Michael Forsyth with the Stone of Scone, recently returned to Edinburgh. But can the Scottish Tories find their own destiny?

Photograph: Daily Record

no Euro-MPs, no local councils under its control and fewer than 70 elected councillors.

John Major has declined to appoint a shadow Scottish Secretary, leaving leadership rivals Michael Howard and William Hague to co-operate on constitutional matters.

The one thing on which members seem united is that things can only get better, but

with a power vacuum at the top, they are at odds as to how that could happen.

The three former Scottish secretaries, who lost their seats on 1 May, are all on holiday until later this week. Michael Forsyth has said he is out of politics for the foreseeable future, Malcolm Rifkind intends to return and Ian Lang's intentions are unclear.

Annabel Goldie, the current Scottish Tory party chair has inherited a very difficult job. She took over at the start of the election campaign when her predecessor, Sir Michael Hirst, suddenly resigned, believing – wrongly – that a gay relationship was about to be exposed.

Last week he told the media he had been stitched up and although no naming names, the

finger was pointed at Mr Bell for raising the rumours with senior party figures.

In the absence of other leadership, the loudest voices raised in the party have been critical of the anti-devolution line it took while in government.

"I have said for some time that if the party developed an ostrich-like position, it would not see what was going on and

it would leave its anatomy exposed in rather tender parts," says Arthur Bell. "That is exactly what happened."

Pressure is building for major reforms to party organisation and policy making, ensuring a stronger role for grassroots members. The party has no say in the election of John Major's successor: This point will be at the forefront of moves to modernise the Conservative power structure throughout the UK.

The Tories are not the only ones trying to find their way in a new political landscape.

Without a shadow Secretary of State for Scotland, both the Scottish Liberal Democrats, with ten MPs, and the Scottish Nationalists, second to Labour in share of the vote, are claiming to be the official opposition.

A message to all those people who use a dandruff shampoo every day.

If you suffer from dandruff, you've probably been led to believe that you have to use an anti-dandruff shampoo every time you wash your hair. Well, not anymore.

Unlike other shampoos, Neutrogena Long Lasting Dandruff Control Shampoo is so effective you only have to use it once a week.

Which means you can still use all your favourite cosmetic shampoos in between.

Neutrogena Long Lasting Dandruff Control Shampoo keeps dandruff away for longer.

For your free trial pack call
0800 628 629.

Quote ref: D01



Neutrogena®

YOUR HOME IS AT RISK IF YOU DO NOT KEEP UP REPAYMENTS ON A MORTGAGE OR OTHER LOAN SECURED ON IT.

Midland's mortgages are subject to security and status. A charge will be taken over the property and appropriate life policies. The following example illustrates monthly repayments for a typical capital-repayment fixed-rate mortgage of £40,000 over 25 years with interest fixed at 5.99% until 30/07/1999. Thereafter, interest is charged at our variable rate. Estimated costs and fees are based on a valuation or purchase price of £55,000 and include an estimated valuation fee of £110 although this may vary according to the property's value. A £150 booking fee is payable when the application is agreed in principle. Booking and valuation fees are refunded on draw-down. In addition to figures quoted below, premiums for the required mortgage protection policy are payable: 24 net monthly payments of £238.44 followed by 276 net monthly repayments of £264.00. Total gross amount payable £85,726.13 (APR 7.2%). All APRs variable. For a written quotation, call 0800 494 999. All calls are recorded and may be monitored as part of our on-going review of service quality. Midland Bank plc is regulated by the Personal Investment Authority and only advises on its own life assurance, pensions and unit trusts. BS/99. Member HSBC Group

For the local hero at Marshall's Ten Pin

Bowling who felt 'tense and insecure' about any mortgage that wouldn't let him plan his finances for the next couple of years...



► Midland offers first-time buyers a rate of 5.99% (7.2% APR) fixed until July 1999.

You 'instinctively chose' a fixed-rate mortgage because the 'last thing you wanted' was to take risks with your finances.

Midland's fixed-rate mortgage gives you the financial security to plan ahead. So you can safely budget for essentials like furnishing your house and other home improvements. What's more, it's just one part of a complete discounted mortgage package – where you can choose any options you feel comfortable with. This is just one of Midland's many bright ideas to make home buying easier.



Midland

The Listening Bank

0800 494 999

www.midlandbank.com

Call for a quotation



or visit a branch.



news

Cruising into the future with the ship that dreams are made of

Randeep Ramesh
Transport Correspondent

It is not a bird, nor a plane, but one man's vision of the future for luxury cruises.

If it ever leaves the drawing board, the *Salvatore* project would see a floating city carrying more than 7,500 people from California to the Caribbean within the next 15 years.

The model ship may look as if it came from a *Thunderbirds* set, but its originator, John McNeece, is a respected ship designer who helped to plan Britain's largest luxury cruise ship - P&O's 67,000-ton *Oriana*.

However, his previous work pales into insignificance when compared to this grand vision. Mr McNeece's ship would boast ice links, convention centres and helicopter pads next to the more traditional cruise distractions of shops and cinemas.

But such additions, Mr McNeece said, will be necessities. "As we become more accustomed to a hi-tech environment we will demand these things."

Launched at a Miami conference in March, the project has its British airing today. So far, the project has had a warm reception from ship builders. "Sadly, there have been no

earth-shattering changes in the look of cruise ships in the past 50 years," said Mr McNeece. "Certainly not compared with the aerospace industry."

The most radical departure

from current thinking in Mr McNeece's plans is how the new design overcomes the "Panamax" problem. This is the width limit imposed on ships if they are to negotiate the Panama canal,

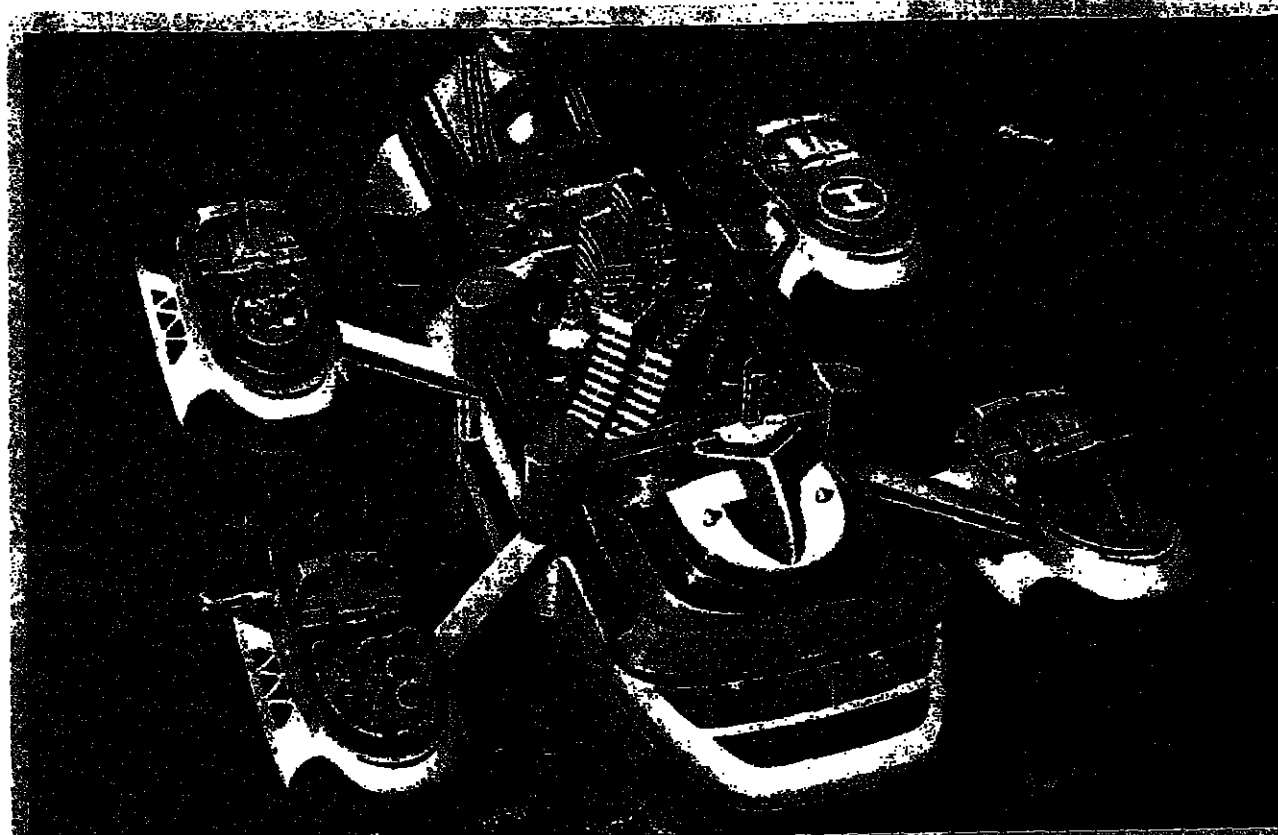
which links the east and west coasts of the Americas, the cruise industry's most lucrative market.

The limit, of 32 metres, has meant ships being developed

around the traditional single-hull "long-and-thin" design. But Mr McNeece's creation will be able to detach its four floating pads, and retract its stabilising arms, ensuring that the 200,000 ton

Salvatore can sail the tricky canal. That this is more fiction than fact does not deter Mr McNeece. "The cruise industry needs more 'blue sky' thinking, more brain storming," he said.

"One thing is certain - the cruise industry 50 years from now will belong to those who invested, pushing forward the frontiers to make their dreams reality."



Have
Nort

Bessa Poole

How many extra orders will you take
with BT's new **Freefone** offer?



Up to 7½ hours of free calls every month, for 3 months.

A BT Freefone number can attract three times as many customers. That's three times as much extra business. And if that's not enough to persuade you to set one up, apply by July 21st (for connection by August 31st) and BT will give your business up to 7½ hours of

Freefone calls, free. Every month for three months. So not only are calls free to your customers, they're free to you too. Mama Mia! For more information on Freefone numbers and details of this offer call **BT Businessconnections** on Freefone 0800 800 800.

Freefone 0800 800 800

Freefax: 0800 800 935 e-mail: worksmore@whites 1.agw.bt.co.uk

*Offer is for 3 months and starts from the first day of the month following connection.

BT

Airport tunnellers dig in their heels

Steve Boggan

Tunnellers underneath the proposed site of Manchester Airport's second runway put themselves on "amber alert" yesterday in readiness for eviction raids this week.

Dozens of protesters will be underground in at least 12 highly sophisticated tunnels when bailiffs move in to make way for the £172m runway.

News of a meeting yesterday between Randall Hibbert, the Under Sheriff of Cheshire, with police and bailiffs, sparked frenzied activity at the protesters' camps near Sial in Cheshire.

"We've moved up to amber alert," said Inverness John, one of the protesters. "We'll go up to red alert when we see them coming over the hill, and that could be any time now."

Tunnellers say that "a fair proportion" of the holes underneath the site are at least as sophisticated as the one in which their hero Swampy - aka Daniel Hooper - held out for a week in January this year under the site of the A30 at Fairmile, Devon.

Swampy has dug a more complex tunnel at Sial, but it is not clear whether he will be in it. He is at present on a bail condition which prevents him from going near the site but one protester yesterday said that no one would be surprised if he turned up. "Loads of us have got the same condition," he said.

Included in the demonstrators' armoury this time is the Cake Hole, a 50ft-deep tunnel dug over a three-month period and featuring numerous warrens, vertical climbs and 90-degree turns. It can hold at least 10 people, each of whom can be locked into large concrete blocks, and it is also understood that the tunnel features heavy doors with locks and bolts.

"They're in for a few surprises this time," said Atarra, a 16-year-old who is on the site with her mother's permission. "By

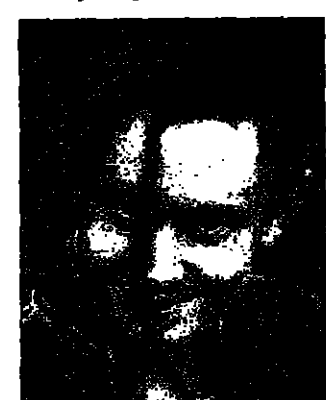
the time this is all over, a lot of people will have a lot to be proud of. It will be much more difficult to remove people than it was at Fairmile."

According to Inverness John, some of the tunnellers have enough provisions to stay underground for at least six weeks.

"Whether they would like to stay down there that long is another matter," he added.

He said safety was the paramount consideration and he expressed concern that protesters had failed to get an assurance from Mr Hibbert that communications to the tunnellers would not be cut during a siege.

"We would consider that to be very dangerous," he said. "If



Swampy: May protest despite court's bail condition

is important that we know the condition of the people underground."

Bailiffs will also have trouble removing demonstrators from above ground. Dozens of tree-houses have been built and scores of climbers are expected to chain themselves to branches.

One protester, Gary, who suffers from a spinal disorder, plans to chain himself and his wheelchair to a tree. At least 100 people were reportedly at the site yesterday and the number was rising rapidly.

Mr Hibbert was not available for comment.

Leading article, page 13

DIRECT LINE INSTANT ACCESS ACCOUNT

NOTE: You can make a lot of these calls on a Direct Line Savings Account.

Balance	Annual Gross Rate
£1-£4,999	4.50%
£5,000-£9,999	5.00%
£10,000-£14,999	5.40%
£15,000-£19,999	5.75%
£20,000-£29,999	6.00%
£30,000+	6.20%

All rates correct as 3rd May 1997.

Call one of the numbers below for high interest with a Direct Line Savings Account.
0181 667 1121 0161 833 1121 041 221 1121
LONDON MANCHESTER GLASGOW
CALL ANYTIME 9am to 8pm Monday to Friday and 9am to 5pm Saturday.
TV Text page 377. Please quote IND76

Calls may be recorded for your added security. Direct Line and the red telephone are trademarks of Direct Line Insurance plc. used with its permission. Rates subject to variation.

Yeltsin
pact w

Phil Rennie

هكذا من الاصل

Have tens of thousands died in North Korea's secret famine?

Teresa Poole reports on a people hidden from the world who may be quietly starving

Peking — At the end of the Fifties, it was possible for a foreigner to visit China and remain completely unaware that tens of millions of people were starving to death as a result of the government's Great Leap Forward policies. Is it conceivable, in 1997, that a country could similarly hide the severity of a famine? Could thousands, or tens of thousands, already have died in North Korea without any of the international aid workers and visiting politicians being allowed a glimpse?

"This is our worry as well," Tun Myat, the World Food Programme's director of transport and logistics, said yesterday. "In a society where openness is not exactly the general rule, such a thing could be happening out of sight of a lot of people."

"What we are seeing so far might only be the tip of the iceberg, there might be a lot more to it than that."

Unlike China four decades ago, Pyongyang in 1997 admits to a severe food crisis, has asked for help, and has allowed food-aid workers into the country. Yet, in recent weeks, there has been a growing discrepancy between what these aid workers report and what ethnic Korean Chinese and Chinese truck drivers describe as having seen during visits across the China-North Korean border.

The aid workers speak of severe malnutrition but say they have no evidence of widespread deaths: the Chinese travellers increasingly tell of seeing starved dead bodies lying in public and executions for those who have tried to escape.

After a two-week visit to North Korea, including the WFP's first trip into the north-east provinces, Tun Myat yesterday described what he had seen as "a famine in slow motion". He added: "The population in general do not give the impression that they are about to die of starvation tomorrow... But they are definitely starving."

He was also well aware, however, that aid workers can only travel to agreed areas, and only in the company of North Korean officials.

The WFP's first visit to North Hangyong province yielded more useful pieces for the information jigsaw. On 3 May, this province of 2.2 million people had only 600 tonnes of grain in store, a situation which is probably even worse in inland areas.

It has got to the point where Pyongyang is telling its regions



Looking for clues: Two men in Yansi City, China, using binoculars to look over the border into North Korea

Photograph: Teresa Poole

"to fend for themselves," said Tun Myat. "So what do we see? We see things that you would not normally expect in North Korea."

Most surprising, given the North Korean government's iron hand over its population, were the numbers of people travelling illegally within the country, in

Hangyong... we saw people eating noodles made out of seaweed," Tun Myat said.

He explained in detail how barks and leaves were ground up with corn cobs, bean pods and mushroom stems to make into "cakes".

"These are very ingenious people. It is because of that they have sustained themselves so far. Otherwise they would be dead already."

Unlike some foreign-aid workers, Tun Myat admitted that there was no way of knowing as yet whether large numbers of people had died or not. International aid groups have not been given access to huge swathes of inland North Korea, including the regions reached by the ethnic-Korean Chinese who cross the border to visit relatives.

"There is no doubt whatsoever that food in large quantities is needed... You've seen all those intelligence reports where the [United States] has said that perhaps as many as 100,000 have died, and I understand that the South Koreans have stated that anything up to 2,000 might be dying a day, which are all plausible things, out of sight from even those of us who are given access," Tun Myat said.

"That's the difficult and maybe exasperating part of this process, that you are given access but perhaps not full and complete access."

Chinese truck drivers tell of seeing starved dead bodies lying in public

search of food. "The trains that we took in both directions were completely covered with people, with quite heavy loads of things that they carried from one place to the other."

"We've been told that these were people who travelled without permits... At railway stations we saw them clambering down from trains and not going through the normal exits but escaping through the rails and to the towns and villages in order to avoid being checked."

In South Hangyong, seaweed, once an occasional food, has become a staple. "In South

Yeltsin signs peace pact with Chechnya

Phil Reeves
Moscow

In remarks which owe more to wishful thinking than anything in the hard print before him, Boris Yeltsin yesterday forecast an end to 400 years of conflict between Russia and Chechnya, and sought to prove his point by signing a peace treaty with the tiny Caucasian republic.

In a move that will further enrage his hawkish opponents, the Russian President signed the agreement at a highly publicised ceremony in the Kremlin during his first meeting with Aslan Maskhadov since the former separatist commander was elected President of Chechnya.

The four-sentence document commits both sides to a formal rejection of the use or threat of force, but it did not settle the issue of Chechnya's status, which continues to be a fundamental source of tension. Although an earlier agreement to postpone a settlement for five years remains unaltered, the document contains a clause saying both sides will develop relations according to the "norms of international law", a phrase which the Chechens are certain to seize on as an endorsement for their claim for independence.

Crucially, the signing of the accord, after a dangerous period of unease in the tiny Caucasus republic, suggests both sides are moving close to an agreement over oil — one of the issues that contributed to the Kremlin's decision to send in the troops in December 1994, re-



Maskhadov: Agreed treaty with Russian President

sulting in the loss of some 80,000 lives and by far the worst blot on Mr Yeltsin's Kremlin record.

Russia is legally bound to be ready by October to take delivery of early Caspian oil from Azerbaijan, via a pipeline which runs north-westwards, through Chechnya, to the Black Sea port of Novorossiysk. The Chechen section, which runs south of Grozny, is partly wrecked, peppered with holes, and vulnerable to attack.

If the pipeline is not ready by the October deadline, Russia faces financial penalties. It would also have an even weaker case for arguing that the same route — as opposed to Western-favoured routes via Georgia and Turkey — should be used for the crucial main export pipeline which will eventually carry Caspian oil from Baku to markets in the West. Furthermore, Mr Maskhadov's government

would lose sizeable income from transit tariffs — money which is desperately needed to rebuild the republic's infrastructure after a war that flattened its capital city, Grozny.

In a glimpse of the hard bargaining now under way, the head of Chechnya's oil company yesterday said the Chechen section of the pipeline could be completed within a month if someone — presumably Russia — came up with \$2m (£1.2m).

Exactly how much weight yesterday's treaty will ultimately carry will depend on a multitude of factors. The mere sight of Mr Yeltsin sharing a platform with Mr Maskhadov, complete with his Isambard hat, will deepen the outrage already felt by hardliners in Russia who oppose the peace deal.

Those hardliners stand accused by the Chechen leadership of being to blame for trying to destroy peace in the region — most recently, by staging bombings at railway stations in southern Russia; if this is true, then yesterday's events could trigger further disruption which could undermine the treaty.

But there are also considerable doubts over the ability of the Chechen authorities to maintain order in their own territory. Armed bands of kidnappers have been seizing journalists, and demanding six-figure ransoms. Last night, seven Russians were being held hostage in the region, including one of the country's best-known female correspondents, NTV journalist Yelena Maslyuk.

They stopped him working the land. So now he digs graves for children.



Give now. Call 0345 000 300

José and Maria Pereira will not forget the day they were evicted from the land they were working. "The landowners just ripped up our crops and threw them away" says José Pereira.

Nor will they erase the memory of what happened next: how they joined with other families in a desperate search for land, how starvation took the lives of four of the children, all under two years old. "The ones who died were living on sugar and water" says Maria Pereira. "They just swelled up and died of hunger".

This is Brazil, where 100,000 children die each year from malnutrition. The cause, too often, is as simple as it is cruel: wealthy landowners deny land to families whose only means of support comes from growing crops to eat.

This country is one of the most unequal places on earth. A mere 75 ranchers own land the size of Britain, much of it unused. Christian Aid supports an organisation which helps desperate peasants settle on idle land and make it productive. In parallel, it works for the legal transfer of that land into the peasants' hands.

Please help us by giving all you can in Christian Aid Week. It is too late for those four children, but there is real hope for many more.

I enclose a cheque/PO made payable to Christian Aid for: £250 ☐ £200 ☐ £100 ☐ £50 ☐ £25 ☐ £10 ☐ Other £ Or please debit my credit card.

(Mastercard/Access/Visa/Other specify) Card No. Expiry Date

Signature Name Address

Postcode

Send your donation to: Christian Aid, Freepost MR8192, Manchester M1 9AZ.

0345 000 300

Christian Aid
We believe in life before death
the official bank of THE CO-OPERATIVE BANK

Registered Charity No. 213401

Christian Aid Week. May 11-17.

Turkish troops mass for Kurdish attack

Chris de Bellaigue
Divarbakir

The Turkish army is intensifying its campaign against guerrillas from the Kurdish Workers' Party (PKK), and has stepped up what appear to be preparations for an assault on the party's strongholds in northern Iraq.

Over the course of the past 10 days, the military say they have killed 174 PKK members in at least a dozen trouble spots in Turkey's South-east. Now, *The Independent* has learnt that between 50,000 and 80,000 troops, accompanied by armoured cars and artillery units, have gathered in preparation for an attack in northern Iraq, from where the PKK launch hit-and-run assaults on Turkish territory.

The Turkish authorities have made no comment on the build-up, but local sources say that the Army has positioned men along a 250km stretch of border, is busy laying roads, and has cancelled leave.

Observers think that the Turkish military has planned an operation to try and wipe out PKK camps in northern Iraq.

Turkey claims the right - contested feebly by Saddam Hussein's government in Baghdad - to engage in what it calls "hot pursuit" of PKK militants some distance into Iraqi territory.

In recent years, this principle has been mobilised to justify cross-border operations involving tens of thousands of men. As Turkish F16s continue to soften up targets in northern Iraq, it looks as though the Turks are on the verge of using it once more.

to the frustration of academy-educated generals, however, less predictable factors must also be taken into account. The timing of a substantial incursion into northern Iraq depends in large measure on the attitude adopted by the Kurdish Democratic Party (KDP), one of an array of Kurdish groups jostling for control of the safe haven in northern Iraq set up by the Allies at the end of the Gulf War, which has remained outside Saddam Hussein's control ever since.

The KDP is important since it controls much of Iraq's border with Turkey; KDP peshmergas (guerrillas) make useful guides through mountainous

terrain unfamiliar to Turkish regular soldiers. The problem is that past experience seems to have made the KDP circumspect.

Before the Turks launched a big cross-border offensive last spring, it was agreed that, in return for co-operation, the KDP would benefit from observation facilities inside a "security zone" to be set up by the Turks inside northern Iraq. This zone — along, some say, with promised cash and arms — never materialised.

Last week, sources in Diyarbakir — from where the Turkish government implements its policy in the region — said that the Turkish army was negotiating with KDP representatives in the border town of Silopi. The KDP must be convinced of the wisdom of supporting a fresh offensive against the well-armed, professionally-minded PKK, from whom they might expect retribution if things do not go according to plan.

Whatever the result of the negotiations, sceptics doubt whether the Turks can deliver the decisive blow against the PKK which they have promised for so long. Much of what the

PKK refers to as Kurdistan - which includes chunks of Iran, Syria, Iraq and Turkey - might have been sculpted with guerilla warfare in mind.

The PKK already controls an important chunk of land around their camp of Zap, 20km inside Iraqi territory. Zap is important for the PKK's developing political identity; it is here that their "government in exile", until now used to meeting in more salubrious European surroundings, is expected to move. This makes it the logical target of a Turkish operation.

Observers point out that intensified activity in the area sits oddly alongside Turkey's official line: that their 13-year-long war with the PKK, which has cost more than 22,000 lives and displaced around 2.5 million people, has been all but won. The Turkish security forces are firefighting over a 400km-wide chunk of the country, and while they their often crude methods have squeezed rebel logistics inside Turkey, this has been achieved at the cost of public support, which remains directed overwhelmingly at the rebels despite their own record of brutality.



Babe in arms: A Jewish settler shows his son how an Uzi machine-gun works as they visit an Israeli army weapon display at the West Bank settlement of Qedumim yesterday, Israel's 49th Independence Day Photograph: AP

Rebels fear Saddam onslaught

Patrick Cockburn
Baghdad

Iraqi Kurds are fearful that Saddam Hussein, the Iraqi leader, is planning a fresh incursion into Kurdistan as Iraqi infantry and tanks mass in the plains below the Kurdish mountains. Iraq has accused the Patriotic Union of Kurdistan (PUK), one of the Kurdish factions, of stopping the flow of water from two large reservoirs under its control.

Iraq captured Arbil, the Kurdish capital, last August from the PUK after intervening in the Kurdish civil war and handed it over to the Kurdistan Democratic Party, the rival Kurdish faction. In the last week the government in Baghdad has claimed that Iraq is being deliberately denied water because the PUK controls the reservoirs.



Saddam Hussein: Accuses PUK of stopping water flow at Durbendikhan and Dukan in eastern Kurdistan.

dikhan, has further increased concern for possible Iraqi aggression." If the Iraqi troops do attack there is no way the lightly armed and poorly trained Kurdish forces could stop them driving a wedge into the PUK zone.

Over the past four days the equivalent of three divisions, one armoured, have been moved close to the front line of Iraqi government controlled territory, according to the Iraqi National Congress, an Iraqi opposition group. In recent days the Iraqi press has cited the Arab saying: "Cutting off heads is better than cutting off food." The same phrase was used when Saddam Hussein invaded Kuwait in 1990.

The PUK denies that it is reducing the supply of water to Iraq, which flows from the two reservoirs they control. It says

that there is less water because of poor rainfall. It is unlikely that the PUK would deliberately provoke Iraq at the moment because it is heavily reliant on Kuwaiti support. Iraq has little money. Its rival, the KDP, controls the lucrative cross border trade in oil products between Iraq and Turkey.

The Iraqi motives for increasing the political temperature at the moment are unclear, but the Kurds are nervous because three times in the past—the invasion of Iran in 1960 and of Kuwait in 1990 as well as the incursion into Kurdistan last year—Saddam Hussein has gone further than anybody expected. The failure of the US and its allies to use their planes which overfly northern Iraq against his tanks last year has undermined his military pre-eminence in the area.

FREE £250 BUNDLE
Offer ends Saturday 17th May

Buy Now, Pay November... Our Best Offer Yet!

"The MESH Genius! 133 Connect is another astonishingly quick machine. It isn't, however, astonishingly expensive, and you can't help but wonder how MESH manage to do it. A super all-rounder at a super price."

What PC? BEST BUY - October '96

MESH Genius! 133 Connect

Features	MAX
Build Quality	MAX
Value for Money	MAX
Performance	MAX
OVERALL	MAX

SPECIAL OFFER PRICE
£899
+ VAT
£1056
inc. VAT

*3 ways to pay!

Pay today
Pay Now - Delivery within 5 days
Pay the whole amount by credit card or cheque
Total Price = £1056.33.

0% Finance
Six Months Interest Free Credit
No Deposit and nothing to pay for 6 months.
Total Price = £1056.33.

UNDER £20 MONTHLY
Pay over 3 years
No Deposit and nothing to pay for 6 months. Then £38.41/month for 36 months.
Total Price = £1385.76 (10.9% APR)
OR Pay £500 Deposit and then £19.76/month for 36 months.
Total Price = £1211.96 (17.5% APR)

Genius! 133 Connect

'The Perfect Home Office PC'

- 133MHz Intel Pentium Processor
- 256Kb Pipeline Burst Mode Cache
- 16Mb Fast EDO RAM
- Hinge 2.56Gb Fast Access E-IDE Hard Disk
- 2Mb ATI Mirage 64 Graphic Accelerator
- Superb 14" SVGA Colour Monitor
- 12 Speed CD ROM drive
- Integrated SoundBlaster 16
- Stereo Amplified Speakers
- Windows 95 Keyboard & Microsoft Mouse
- Microsoft Windows 95
- NEW Lotus SmartSuite 97
- Full Backup & Service after Delivery for 12 months including FREE Hotline Support

- FREE 33.6K Fax/Modem with Voice Messaging & Pipex Internet access*
- FREE Family CD Bundle*
- FREE Serif PagePlus 4 DTP Software*

15" FST Digital SVGA Colour Monitor
option add £70 + VAT

'Buy Now!

Every Genius! 133 Connect system purchased before Saturday 17th May will come with a...

... FREE £250 Bundle...

Including 33.6K Voice Fax/Modem, Serif PagePlus DTP package, Hutchinson's Encyclopaedia, Formula One Grand Prix, Helloop, French Gourmet Cuisine, ANDRoute and the superb Egon Ronay Guide.

Offer Ends 17th May

IN13/05

MESH
COMPUTERS PLC

MESH Home, Apsley Way, London NW2 7HF
Tel: 0181 452 1111 Fax: 0181 208 4493
E-mail: sales@meshplc.co.uk
www.meshplc.co.uk

Lifetime Achievement

At the PC Plus 1997 annual awards ceremony, MESH Computers Plc took the highly coveted Lifetime Achievement Award for producing Award Winning Systems with Excellent Service at a Competitive Price over the course of the last 10 years.

What PC? BEST BUY

"The MESH Genius! is stunningly quick. A superb all round system at a super price"

"Thus, our BEST BUY award goes to MESH for the Genius! 133 Connect - a well-designed machine that represents excellent value for money"

What PC? - Oct 96

TO ORDER CALL 0181 452 1111

*Important - Please note: Payment bundle is subject to approval, MESH offers available on request, MESH Computers Plc offers and specifications are subject to change without notice. This offer is subject to availability. All sales are subject to MESH Computers Plc terms and conditions, a copy of which may be obtained on request. The Intel brand of Pentium Processor Logo and specifications of Intel Corporation. All trade names are acknowledged. Industry standard practice is to measure space using PC case. Actual measured case is approximately 7.1ins. Speakers included with other home theatre offers. Prices include delivery charges which varies with destination. UK mainland delivery is nominal £20, all UK & 10th. System will be returned for delivery upon receipt of damaged parts or failure. MESH Computers Plc will endeavour to ensure that delivery times are met but do not accept any responsibility for late deliveries. RACE, However: This advert does not form part of any contract.

COUTURE BEAUTÉ
FOR THE BEST-DRESSED FACES

BEAUTÉ
GIVENCHY

For information on Givenchy Beauté, call 0800 192 202 or visit our website at www.givenchy.com

Hitler's deserter cleared

Berlin (AP) — More than half a century after he was beheaded for desertion, a Catholic deserter was cleared by a Berlin court yesterday of a Nazi-era conviction for refusing to serve in Hitler's army.

Franz Jägerstätter, who was drafted after the annexation of his native Austria, sought to be excused for service in Hitler's army for religious reasons.

His appeal to be assigned non-combat duty was refused, and a field court sentenced him to death in July 1943 for treason. The Nazis executed numerous religious faithful who sought exemption from military service, or were singled out for other acts of resistance.

The Berlin court has been actively reviewing-Nazi-era verdicts at the request of survivor religious organizations and others, and last spring lifted convictions against three people.

Jägerstätter's widow petitioned the court to dismiss the conviction before the 90th anniversary of his birth, on 20 March.

The Catholic diocese in Linz, Austria has begun investigation necessary to beatify Jägerstätter, a step toward sainthood.

Why

John Lichtfield

Rafsan
Iran q

[illegible]

NAV

We've an
adviser

the

After 24 hours, the following results were obtained:

Why France won't vote for Europe

John Lichfield visits Maubeuge, a key seat in parliamentary elections

The Mayor of Maubeuge is struggling patiently to explain a paradox. Yes, his town is one of the key, swing constituencies in the French parliamentary elections. Yes, its position, on the Belgian border, within 100 miles of five EU countries, means that its future prosperity lies with Europe not just with France. But, no, his constituents – he is the sitting, centre-right MP – have little enthusiasm for the election campaign. And, no, they have no interest in the European questions on which the election was supposedly called by President Chirac.

Blinkered apathy? Doubtless, that would be the Parisian viewpoint. Jean-Claude Decagny, 58, comes up with a more poetic phrase: "Their valley is their whole life."

"Me, I am fiercely European. Anyone who thinks about the future of France, and especially of Maubeuge, has to be European. But, to be quite honest with you, Europe is not something which voters think about or care about, even here, 70 kilometres from Brussels. They care about jobs. Europe means jobs. But they will not make the connection."

What else do they care about? The local impact of immigration; local crime rates; and the fact that the motorway and TGV line pass 30 miles to the west, leaving Maubeuge in a kind of transport limbo.

All politics are local; and geography is history. The story of Maubeuge is a history of collisions between these two truisms. Precisely 57 years ago today, the town, which lay across the route of the invading German army, was flattened by the Luftwaffe. In the 1980s, the heavy-metal industries of the Sambre valley were devastated by obsolescence and international competition. Maubeuge recovered, in pleasant, concrete anonymity, from its first calamity but is still paying, with 22 per cent unemployment, for the second.



Poverty gap: Women watch a tramp leaving St Pierre and St Paul church in Maubeuge, a marginal seat in forthcoming parliamentary elections
Photograph: Brian Harris

Maubeuge is, in Peter Snow terms, a key marginal, a naturally left-wing seat which went to the centre-right in 1993 as part of a nationwide revulsion against Mitterrandism. But no swingometer could help much here. The cleverest chess-playing computer would have trouble in sorting out the mish-mash of local and national arguments on 25 May between 13 candidates, including a powerful National Front challenger, two rival Socialists and 10 left-wingers.

The mayor, Mr Decagny, is running with as little reference as possible to the unpopular coalition to which he belongs in Paris. The Socialists are divided between official and unofficial candidates, because local activists refused to accept the official choice, Jacqueline Bard. She was imposed, they say, by dubious means, to achieve the national target of a 30 per cent female field of candidates. (Her opponents say the problem is not that she is a woman,

but that she is an outsider). The unofficial Socialist, Umberto Battist, is the former MP. He is still on the national committee of the party and vice President of the regional council. It was precisely this kind of Socialist disarray which Mr Chirac hoped to provoke with an early poll.

The outcome in Maubeuge depends on whether Mr Battist makes it into the second round on 1 June. To do so, he has to score 12.5 per cent: not of those voting, but of those

eligible to vote. On a low turnout, he might need 20 per cent of the actual votes cast. If Mr Battist fails to qualify, the mayor will certainly win the second round against the Front National on 1 June; if he succeeds, the seat will be a three-way toss-up. It could go to the far-right; to Mr Decagny again, or to Mr Battist.

In short, the politics of Maubeuge is a mess, but a fascinating mess and an instructive mess. The results of scores of other seats – and an elec-

tion which could throw out political calculations across Europe – depend on similarly local, abstruse, opinion poll-defying calculations.

It was supposed to be quite clear. France (according to President Chirac) had to choose between the bold direction taken by the government (shrinking the state; entering the single currency) and confusions of the left (renegotiating Maastricht; spending money to create jobs).

In fact, Europe – and the euro –

have hardly played a part in the campaign so far. One would have expected the single currency, at least, to be an issue in Maubeuge, where four in 10 of people using the local supermarkets are Belgian; where petrol stations hardly exist because everyone fills up in the next country; where the local discotheques have been put out of business by the cheap (and livelier) ones over the border in Mons. (Maubeuge must be the only place in the world where Mons is a by-word for a fun-time).

Philippe Szymczak, 34, who runs a hardware business in Maubeuge, says the euro is a non-issue: "There is no great enthusiasm for the single currency, but no great opposition either. If people think about it at all, there is a kind of fatalism, an acceptance that the euro is probably the right thing for a medium-sized country like France. But also some anxiety about loss of control and sovereignty."

The most common complaint from the people of Maubeuge is that they are a forgotten town, at the scrag-end of a *département* which is itself the scrag-end of France. This seems to be an absurdly pessimistic and old-fashioned reading of the atlas. Turn the page, and you see that Maubeuge is at the heart of the most prosperous part of the European Union.

Mr Battist says this argument may be correct, in the long term. But like the government's arguments about EMU, it is too abstract to have much meaning in real campaign politics. "Twenty years, 10 years from now, Europe will bring us prosperity. That means something to the clever people in offices in Paris. I believe it myself. But it means nothing to a man who is unemployed. He wants to know how he is going to make ends meet next week, not in 10 years' time. It's no use showing the atlas of Europe to him."

Rafsanjani tours Iran quake zone

Steven Swindells
Reuters

Qayen, Iran — The Iranian president interrupted a foreign visit yesterday to inspect devastation caused by the huge earthquake which killed about 2,400 people at the weekend.

Akbar Hashemi Rafsanjani flew to Birjand, one of two regions in eastern Iran rocked by Saturday's quake, from neighbouring Turkmenistan.

He visited villages in the area at the Afghan border before heading to Qayen, near the epicentre of the earthquake which levelled some 200 villages and injured some 6,000 people.

Survivors of the quake were still scrambling among the ruins of their homes and burying their dead yesterday while waiting for international aid in response to an appeal by the Iranian government.

An Iranian Red Crescent spokesman said rescue workers would comb the quake-stricken areas one more time for survivors and bodies before winding up their operations.

In the rubble of the villages hit hardest, men, women and children wept and wailed and picked through the debris of their mud-brick homes searching for something to salvage.

The government said it would pay 500,000 rials (£103) to every person who lost a relative, the Iranian news agency said.

A new quake hit north-west Iran yesterday, but there were no casualties or damage, the news agency said. About 1,000 people were killed there by a quake in February.

Quake-prone Iran, accustomed to dealing with natural disasters, appealed through the United Nations for international aid. Iran's Gulf Arab neighbours, Saudi Arabia, Kuwait and the United Arab Emirates said they were flying in aid. So did Egypt.

Clare Short, Britain's new

Secretary of State for International Development, yesterday announced a £100,000 initial disaster contribution. She said the money would go to the Red Crescent, the Iranian arm of the Red Cross. A Scottish-based rescue group, the International Rescue Corps, which specialises in rescuing trapped people, said its offer of help to Iran has been turned down.

The German Foreign Minister, Klaus Kinkel, said that Bonn would not let a diplomatic row with Iran get in the way of helping the country's earthquake victims and pledged 500,000 German marks (£183,000) in relief.



In ruins: A car lies beneath the rubble of an education ministry building in the village of Qayen. Photograph: AFP

How to win the colonel's trust by passing the old grey testicle test

AZERBAIJAN DAYS

There is no doubt it was the turning point in our conversation. The colonel stopped feeding carp bones to the ducks at his feet, wiped his fingers, and – with the relish of a chef selecting an especially tasty morsel for a favoured client – handed me a testicle.

Soldiers distrust journalists; always have, always will. In the West, they corral us into reporting pools, harpoon us with accreditation badges, and woo us with threats and flattery. In Azerbaijan, more traditional methods apply. Woe betide those who balk at a ball, albeit one that merely hung between the woolly thighs of a sheep.

We had been dining for about an hour, sheltering from the sun at a small table in a pavilion beside a lake in this border fiefdom – poppy-dotted meadows, vineyards and cedar groves that roll over the hills westwards towards Armenia. Barbecued lamb had come and gone. We had shared corn-fed chicken, walnuts, long leaves of fresh tarragon, fresh carp from the lake, and slithers of ivory-white sheep's cheese.

But Col Murad Hadimov, though impeccably polite, remained aloof. It was obvious he was manifestly unconvinced by this civvy, this multi-clad western journalist who had swept in from miles away to inspect the

north-western border, propelled there by rumours of fresh fighting with the Armenians.

Moreover, I had disgraced myself by asking an incomprehensibly foolish question; for reasons that can only be explained by rote-learning social niceties, and perhaps also by his

It was in my mouth did some instinct – some inner voice, triggered by its texture – whisper "ball, ball, ball".

Confirmation came when one of the colonel's colleagues, pleased to see it swallowed, cried "testikule!" By then, it was too late. I had also shared several vodka toasts, to ourselves, our hosts, Azerbaijan's shrewd president, Haidar Aliyev, and so on, which softened the blow.

The colonel seemed pleased to see his offering consumed. He rewarded us with a toast to journalists "with fire in their hearts" – a reference, one assumes, to one's passion for the job, rather than the heart-burn that seemed certain to follow.

Throughout the meal he had singled out pieces of meat for me, including a large lump of white sheep's fat and a slither of heart, imploring me to eat with my hands. "Guests come out of the skies, but are all from the same earth. Put your fork aside and eat with your fingers," he said.

But testicles were of a different order. They were only to be eaten by men, he explained (partly for the benefit of my female colleague from the Mel-

bourne Age, who had to make do with a toast to her bravery as a woman). It was clear they were a testimony to one's potential for bravery, one's credentials as a solid fellow, who could be trusted to listen to Azerbaijan's grievances about Armenia's occupation of Nagorno-Karabakh.

Like a First World War officer, reprieve after an excellent lunch, Col Hadimov announced that it was time to set off for the front. We washed our hands in vodka; pulled on some khaki uniforms, climbed into a jeep and rattled off over the hills.

High in the woods, the colonel showed us his fresh-faced troops in their trenches, staring intently through the trees, listening for suspicious movements from the other side but hearing only cackles and woodpeckers. We were shown trees dotted with bullet holes; we were introduced to a bandaged young man, apparently one of six injured in violence the day before.

Of these matters, more at another time. But as we srode along the border I found myself wondering: would I have seen this, and have been allowed to report it, without accepting the colonel's offer? One will never know. However, it lends a new meaning to Voltaire's remark that "the composition of a tragedy requires testicles".

Phil Reeves

Only when it was in my mouth did some instinct whisper 'ball, ball, ball'

and seriously discuss the three-year ceasefire, which has held, albeit shakily, despite Russia's gift to Yerevan of \$1bn worth of arms, including Scud missiles. Journalism in the former Soviet Union is full of such trials. Here, the public relations industry – the curse of the serious news gatherer – is largely absent. Our chief scourge comprises officials who, when asked a sim-

ple question, reply with "let me remind you of our history" followed by a half-hour speech; a passion for paperwork, and invitations to lunch, which are both an act of hospitality and an attempt to check you out.

New central heating? Call now – nothing to pay till '98*

Free, no-obligation quote

We've an expert adviser near you

Call 0345 754 754
Local rate call. Please quote ref EOP2

or post this coupon today

Please send me details of Celsia central heating
I would like an appointment with a Technical Sales Adviser

Name

Address

Postcode

Tel

Please complete and return to: British Gas Services, Freeport CV290B, Stratford-upon-Avon, Warwickshire CV37 9BR
No stamp required.

EOP2

British Gas
Services

*After 5% deposit. Credit offered subject to status. Written quotation available on request. APR 26%
Offer ends 28/6/97

obituaries / gazette

Professor Campbell Stewart

Campbell Stewart died while on a visit to Keele University. This was peculiarly fitting as he had given 30 years of his life to the university, first as founding Professor of Education and later as its Vice-Chancellor.

To the wider world of scholarship Stewart was well-known for his substantial studies of the Quakers in education, of their "progressive" school movement, and for editing Karl Mannheim's posthumous papers, as well as for serving on many public bodies. In retirement he lived in Sussex and his five-year Honorary Visiting Professorial Fellowship at Sussex University enabled him to complete *Higher Education in Postwar Britain* (1989), a survey he was well placed to undertake.

William Alexander Campbell Stewart was born in Glasgow in 1915 but grew up in

London, attending Colfe's Grammar School and University College, London. An enthusiasm for acting and many sports can be blamed for the modest class of his first degree in English and made the polo which left one arm paralysed in 1934 a particularly cruel blow.

His first teaching post was at the Friends' School, Saffron Walden, where he was a housemaster from 1938 to 1943, before moving to Abbotsholme, Derbyshire (1943-44), where he was later to serve on the governing body for two decades. These years both reflected his interest in the humane, progressive fringe of the independent sector in education and provided the foundation for two of his major books, *The Quakers and Education* (1953, based on his PhD of 1947) and

his two-volume study of *The Educational Innovators* (1967-68), which appeared in shortened form in 1972 as *Progressives and Radicals in English Education*. He lectured in Education at University College, Nottingham, and then at the University of Wales in Cardiff between 1944 and 1950, and it was at this time that he married Ella - the beginning of a wonderful partnership - and his daughter was born.

It is hardly surprising that Stewart was attracted to the new, wholly residential and experimental University College of North Staffordshire. Lord Lindsay, the college's founder, appointed him at the age of 34 to the Chair of Education in 1950 and Stewart's son was the first child to be born at the new college. A daunting task lay

ahead in building up first the department and then the Institute of Education. As all students initially took a four-year degree, teacher-training had to be an integrated part of the degree programme with teaching practice arranged in vacation time. The Education Department could not be marginalised and ignored by the rest of the academic community and it is a measure of Stewart's determination and tenacity - qualities which some might see as peculiarly Scottish - that the study of education at every level flourished at Keele.

During this period he held visiting professorships at McGill University in Montreal and the University of California in Los Angeles, and a senior Simon Fellowship at Manchester University. As Acting Principal at

Keele after the death of Sir George Barnes in 1960 he kept a steady hand on the tiller and it was unsurprising that his colleagues chose him as Vice-Chancellor in 1967, the university's fifth Principal in its short history.

It was a difficult time: Keele had been an awkward adolescent born during the post-war period of austerity. The new universities of the early Sixties had profited from Keele's experience, adopted many of its innovations and stolen the limelight. The four-year degree and residence for all students were seen by the government as unsustainable extravaganzas. Difficult decisions had to be taken. Moreover, the universities were soon overtaken by the student troubles of which Keele had, perhaps, more than its fair share.

Some of the events of the hot summer of 1970 were serious cases of criminal damage, others merely comic. One night hundreds of students surrounded the Vice-Chancellor's residence and tried to levitate it by humming. Legend has it that another noisy demonstration was dispersed not with a whiff of teargas but by a porter reminding the demonstrators that *Dr Who* was about to start on television. Throughout, Stewart retained his sense of humour, and his unruffled moderation and good sense ensured that the university's business of teaching and examining continued uninterrupted despite sit-ins and much adverse publicity.

The leadership he gave the university in calmer times was similarly marked by tact, pa-

tient, a belief in democratic decision-taking and unfailing courtesy. He brought the same qualities to the work of many public bodies on which he served both before and after his retirement, among them the National Advisory Council for Childcare, the Advisory Council on the Supply and Training of Teachers, the Universities' Council for Adult Education and the Council of the Open University.

In private, Campbell Stewart was a warm and humorous man, an engaging conversationalist and raconteur and a loyal friend, husband and father.

Michael Paffard

William Alexander Campbell Stewart, educationist and university administrator: born Glasgow 17 December 1915; Assistant Lecturer and Lecturer, University College, Nottingham 1944-47; Lecturer in Education, University of Wales (Cardiff) 1947-50; Professor of Education, University College of North Staffordshire (Keele University from 1962) 1950-67 (Emeritus), Vice-Chancellor 1967-79; married 1947 Ella Burnett (one son, one daughter); died Keele, Staffordshire 23 April 1997.



Stewart: educational innovators

grew 17 December 1915; Assistant Lecturer and Lecturer, University College, Nottingham 1944-47; Lecturer in Education, University of Wales (Cardiff) 1947-50; Professor of Education, University College of North Staffordshire (Keele University from 1962) 1950-67 (Emeritus), Vice-Chancellor 1967-79; married 1947 Ella Burnett (one son, one daughter); died Keele, Staffordshire 23 April 1997.

Alistair Grant

For 35 years Alistair Grant, the Royal College of Art and Printmaking were indivisible: 35 generations of artists learnt printmaking from him. Yet throughout his life Grant was as well known an artist as a teacher. He was a painter and a printmaker of considerable ability, and in his printmaking he was a great experimentalist. He fused media - litho with silk-screen, silk-screen with etching and often all three together.

Although born in London, he was half French. His mother was from Etaples on the coast of northern France. Grant went to school in Etaples and always retained the family home there. The region became the deeply rooted inspiration for much of his work throughout his life.

During the Second World War, he served as an air-crew wireless operator and was stationed in Egypt, where he met his first wife Phyllis Fricker. After the war, he was accepted into the Painting School of the Royal College of Art, graduating in 1950. Five years later he returned as Tutor in Printmaking. He became the Head of Department in 1970, and was made Professor in 1984.

Grant was the consummate head of department. His stated philosophy was that printmaking students should be encouraged not only to make prints but to paint and sculpt as well. (He himself exhibited widely on an international basis and his work is represented in major collections worldwide.) He insisted that all the teaching staff should be practising artists. He had a keenly developed political sensibility matched by an independence of mind and a toughness common to many of the staff who had been to art school following the experience of the war.

He loved the college, and enjoyed the tussles involved in promoting the interests of printmaking. When I was appointed to succeed him on his

retirement from the college in 1990, I was the beneficiary of the best printmaking department in the country.

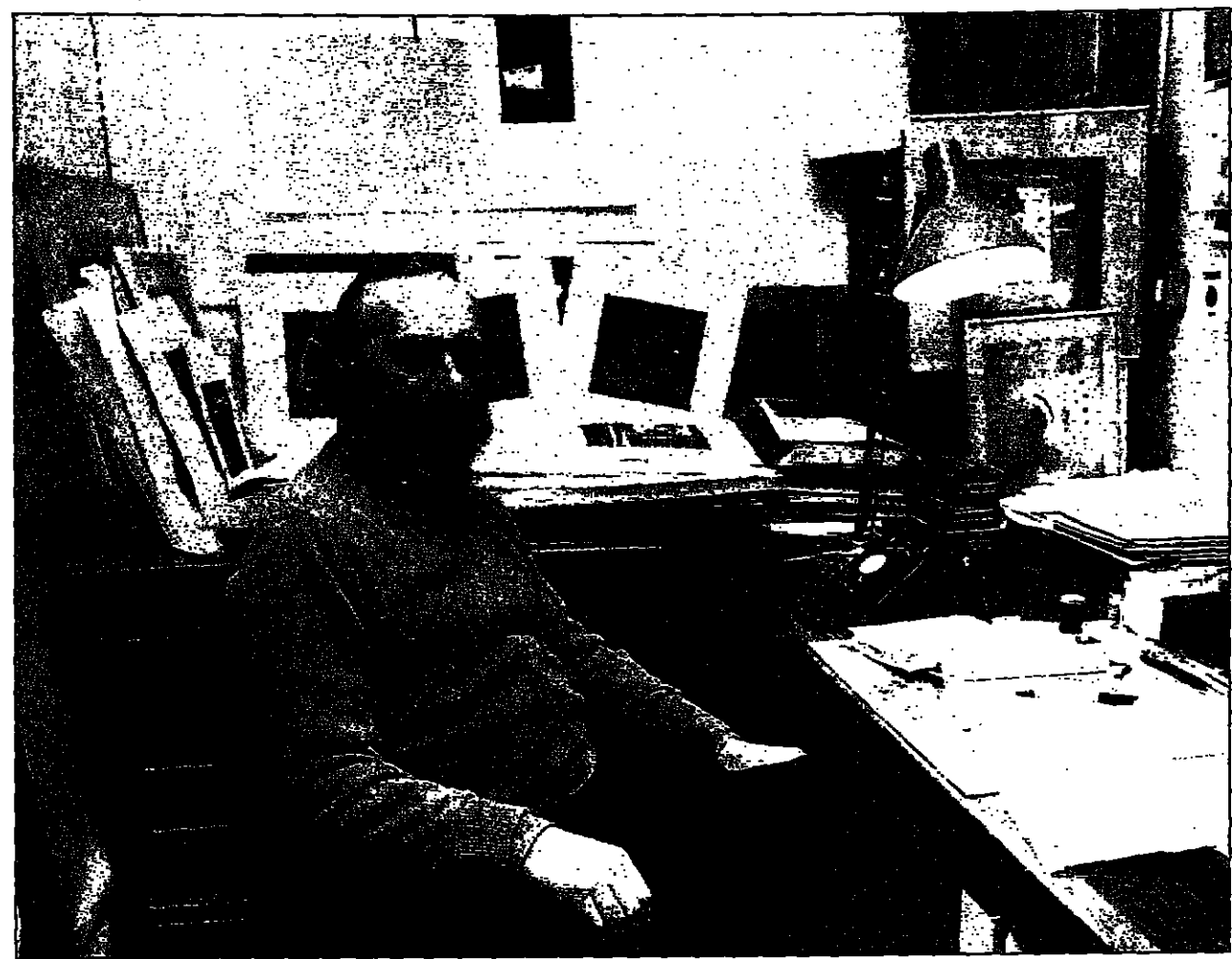
I had also been a student of Grant's in the mid-Seventies. His students occupied a department bursting with equipment, expertise, confidence and energy. Grant was a tough taskmaster. He believed that strong criticism not only helped the work but engendered resilience - a commodity that would be much valued after graduation.

He was also an initiator. As a young tutor he had seen the potential of screenprinting for artists and introduced it into the department. He incorporated photo-imaging and encouraged wide artistic practice - making books, painting, sculpture, photography, drawing - all of which he believed made the artist bigger by informing the work more deeply.

Grant also had a strong entrepreneurial streak. In the Eighties he initiated the Royal College's Printmaking Appeal Fund which published two of the most important print portfolios of the last few decades in order to raise funds for the printmaking students.

He brought an enormous professionalism and vision to these projects. Almost every important British artist of the second half of the century is represented. The initiative continues at the college and, in fact, Grant's last print, *Fête Champêtre*, a combination of litho and silk-screen in 18 colours, was made for The Royal College of Art Centenary portfolio, published in November 1996, and exhibited at the Victoria and Albert Museum as part of *The Spirit of the Staircase*, an exhibition which celebrated 100 years of print publishing at the Royal College of Art.

Alistair Grant was a large personality, a *bon vivant*. At the college he made sure that things in the Senior Common Room



The best printmaking department in the country: Grant in his office at the Royal College of Art, London, 1978. Photograph: Frank Thurston

were as they should be - properly convivial. Through his French roots he was a knowledgeable chairman of the wine committee. His table at lunchtime was raucous. He was very likeable and very good company. He enjoyed telling his vast repertoire of jokes.

Over the years his work moved from figurative to abstraction. The colour, the forms and the hints of landscape became evocative of his native Pas de Calais. He was broadly skilled and was often commissioned to do illustrations. He was the hand behind the paintings in the Tony Hancock film *The Rebel* (1960). He made

both sets of paintings for the film, "the good ones and the bad ones - whichever way around that might be".

He was a great collector, often to be seen in the West End salerooms or early in the morning in Portobello Road, in Bermondsey market or in recent years in outer London car boot sales.

He loved a bargain. He drove a hard one and had nerves of steel. He often told with relish of the occasion when he spotted two original Toulouse-Lautrec posters for sale in Portobello Road for a few pounds and, knowing them to be worth a small fortune, he

nevertheless bargained the price down. His home was several storeys tall and packed with furniture, art-deco figures, thousands of conkers, bric-a-brac and curios punctuated by the work of Henry Moore, William Scott and other friends.

His later years were touched by sadness. His first wife, to whom he had been married for nearly 40 years, died in 1988. His second wife, Joan Strickland, who had worked with him at the Royal College, died in 1995.

After leaving the Royal College, Grant concentrated on his work, exhibiting both in France and in England. His later works are amongst his very best. His

colours are strong and fresh - full of light and space, place and memory. He spent his time between London, Etaples and Paris, where his only daughter Emma lives with his two granddaughters.

Tim Mara

Duncan Alistair Antoine Grant, printmaker and painter: born London 3 June 1925; staff, Royal College of Art 1955-90; Head of Printmaking Department 1970-90; Professor of Printmaking 1984-90 (Emeritus); married 1949 Phyllis Fricker (died 1988; one daughter); 1991 Joan Strickland (died 1995); died London 12 April 1997.

Iris Lemare

Iris Lemare will be remembered not only as one of the first women to have a career as a conductor but also as a fervent advocate of young British composers. In the Thirties she helped to form, run, and conduct the Macnaghten-Lemare Concerts (from 1934 to 1937 the Lemare Concerts), often with the help of the composer Elisabeth Lutyens.

Her father was the well-known organist Edwin Lemare. Iris went to Bedales and then to Geneva to study at the Dalcroze / Eurythmics School. Later, at the Royal College of Music in London, she studied organ under George Thalben-Ball and won the Dove Prize. She also entered Malcolm Sargent's conducting class, where she always remembered the kindness of her fellow student Michael Tippett. It seems that Sargent chose students to conduct, but never picked the only girl in the class until Tippett pushed her forward one day. She also studied, as Tippett did, with Adrian Boult and received great support from him.

It was in 1931 that she started the concerts with Elisabeth Lutyens and the violinist Anne Macnaghten. At that time performances were very thin on the ground for British composers. Lemare conducted several of Britten's early works, including the premiere of his *Sinfonietta* opus 1 and later his choral "A Boy was Born". She also premiered several works by Alan Rawsthorne, Christian Dartton, Elizabeth Maconchy and many others. At one concert the back of her strings included Benjamin Britten, viola, and Elisabeth Lutyens, violin.

Some 40 new works were heard at the Macnaghten-Lemare Concerts, many of them by women (though it was by no means a feminist organisation) and many by composers who became well-known later on.

Lemare became the first woman to conduct the BBC

Symphony Orchestra, in 1937, and she also conducted the Oxford Chamber Orchestra and the Carlyle Singers. She loved opera and conducted Handel's *Vexes* amongst other works in the late 1930s at Pollocks, a house in Essex belonging to the Howard family.

During the Second World War she founded the Lemare Orchestra. She featured many new or little-known works and her soloists included Joan Hammond, Benno Moiseiwitch, Geza Anda, Peter Donohoe and many others. In the 1970s she worked in opera and presented works by Menotti, Macconchy and Britten, and the premiere of John McCabe's *The Play of Mother Courage*. On her 80th birthday, when asked what she would like for a present she declared "a conductor", and got one, given by many musician friends. It included a Mozart Concerto played by John McCabe and a piece especially written for the occasion by Elizabeth Maconchy. The following year she was invited by the BBC Singers to conduct a 50th anniversary performance of Britten's "A Boy was Born".

The last time I saw Lemare was in her 90th year at her little house at Ashham Bryan near York. By this time she was unable to walk, crippled by a skiing accident only a few years previously. Up to then she had been a keen walker, bird-watcher, swimmer and skier; she was also a dab hand at campanology. She talked about her life with pleasure, no sentimentality and no regrets; she thought she had done her best by music even if she had not hit the heights. She was a lady of charm, warmth and enthusiasm.

John Amis

Iris Margaret Elsie Lemare, conductor and concert organiser: born London 27 September 1902; died Ashham Bryan, Yorkshire 23 April 1997.

Paulo Freire

Paulo Freire, the Brazilian educationist, was one of the most influential philosophers of his generation.

He was born into a middle-class Catholic family in Recife in north-eastern Brazil in 1921. Despite the relative wealth of his family, he experienced poverty during the Depression of the 1930s, but unlike most children was able to complete secondary school and go on to study law at Recife University. There he met Elza, a teacher, whom he married in 1944.

He became a teacher of Portuguese and under the influence of his mother, got involved in church organisations as a means of addressing the injustices he saw around him. However, he rapidly became aware of the limits of charitable work and the

need to move from working "for the people" to working "with the people".

In the 1950s Freire lived and worked in the slum areas of Recife and increasingly focused his efforts on tackling the problem of adult literacy. "It seemed to me profoundly unjust that men and women were not able to read and write," he wrote. "Equally he recognised illiteracy as 'just one of the concrete expressions of an unjust social reality'. As a result he developed a new approach to literacy which linked 'learning to read the word with learning to read the world'."

In 1959 Freire wrote a doctoral thesis on his experiences of teaching literacy which was so well received that he was appointed Chair of the Philosophy of Education in Recife Uni-

versity. In 1962 he became coordinator of a large literacy programme in Recife and the next year was appointed head of the Brazilian National Literacy Programme. He planned to establish 20,000 literacy groups known as "culture circles".

However, following a military coup in 1964, the Brazilian literacy programme was terminated. Freire was imprisoned, accused of subversion, and subsequently exiled to Bolivia and then Chile. He took these developments as confirmation of his theory that "no education is neutral" commenting: "I was jailed precisely because of the political nature of education".

In the following years, whilst working on adult education with the Institute of Agrarian Reform in Chile, Freire's ideas



Freire: reading the world

matured and he started writing what would become his seminal work, *Pedagogy of the Oppressed* (1970). Through this radical pedagogy, he hoped, adults would learn to perceive social,

political and economic contradictions and would take action against the oppressive elements of reality (a process that Freire called "conscientisation").

In the book, Freire condemned traditional education systems, which he called "banking systems", where students are passive recipients of deposits from an "all-knowing" teacher. In contrast he proposed an education based on dialogue, generating a permanent process of reflection and action.

If learning to read and write is to constitute an act of knowing, the learners must assume from the beginning the role of creative subjects. It is not a matter of memorising and repeating given syllables, words and phrases, but rather, of reflecting critically on the process of reading and writing itself and the profound significance of language.

Although Freire's writings

are theoretically complex and often difficult to read, it is a testament to their power that he is, to this day, the most widely quoted education thinker in Latin America, Africa and Asia - helped by the fact that his work is available in 35 languages.

By the time *Pedagogy of the Oppressed* was published in English in 1972, Freire was already being acclaimed internationally as "the authentic voice of the Third World". He became a visiting professor at Harvard University and later a special consultant to the World Council of Churches in Geneva. Throughout the 1970s and 1980s he travelled widely, attending conferences and seminars, and supporting radical education programmes, in countries as diverse as Mozam-

bique, Angola, Guinea Bissau, India, Tanzania, Papua New Guinea, Australia, Nicaragua and El Salvador. He first visited London in 1973, returning to Britain in 1987 when he helped review the Edinburgh Adult Learning Programme. He was most recently in London in October 1993, when he attracted large crowds at the Institute of Education.

As democracy returned to Brazil in the 1980s, Freire was able to return to his homeland, where he became closely involved in the Workers' Party, which won control of the state of São Paulo and nearly won presidential elections in 1989. He became Secretary for Education in São Paulo for a short period before retiring in order to dedicate himself to writing.

The most recent of his 25 major publications, *Pedagogy of Hope* (1992), started off as a new preface to *Pedagogy of the Oppressed* but evolved into a book in its own right.

In March 1996, as Guest of Honour at the World Conference on Literacy in Philadelphia, Freire was as charismatic, absorbing and radical as ever. He succeeded in reaching a new generation of educationists who, with his inspiration, continue to work for an empowering and liberating approach to education around the world.

David Archer

Paulo Freire, educationist: born Recife, Brazil 19 September 1921; married 1944 (first wife died 1986); 1988 Ana Marie Araújo; died São Paulo 2 May 1997.

Births, Marriages & Deaths

DEATHS

PEPPER, Rosemary (née Earle). Died on 8 May, at Loddhams Nursing Home, Farnham. Much loved and missed by her children, Jenny and Terence, and grandchildren, Asia, Dole and Guy. Funeral service at the United Reformed Church, South Street, Farnham, at 2pm on 14 May. No flowers. Donations if desired to Connexions (Society for Art for the Physically Disabled), 5 Beveridge Close, East Ewell, Epsom KT17 9HB.

SUTTON-WANE, Vane, died 5 May 1997, aged 79 years. Beloved husband of Anne, dear father of Mark, Julia, Angela and Alexander and grandfather of Edward. Funeral at Salisbury Crematorium at 2.30pm on 19 May. Family flowers only, but donations if desired to RNLI, West Quay Road, Poole, Dorset BH15 1LZ.

Birthdays

Sir Crispin Agnew of Loddhams Bt, explorer and genealogist, 53; Mr Dirk Aldous, chief constable, Dorset, 53; Mr Paul Burrows MR 35; Miss Eileen Diss, theatrical designer, 66; Mr Colin Ford, Director, National Museum of Wales, 63; Mr Peter Gabriel, singer and songwriter, 47; Dr Jane Glover, conductor, 48; Sir John Habeshush, former Principal, Jesus College, Oxford, 82; Sir John Johnston, former diplomat, 79; Sir Laurence Kirwan, archaeologist, 90; The Earl of Leven and Melville, Lord-Lieutenant of Naírn, 73; Sir Paul Osmund, former senior civil servant, 80; The Earl of Perth, former Governor, 90; Mr Tim Pigott-Smith, actor, 51; Sir Alfred Pugsley, civil engineer, 94; Miss Selina Scott, television presenter, 46; Miss Helen Sharman, astronaut, 34; Mr Gerry

Sundiffe MR 44; Sir Conrad Swan, genealogist, 73; Marquess Townshend, former chairman, Anglia Television, 81; Sir Timothy Walker, High Court judge, 51; Miss Zoe Wanamaker, actress, 48; Mr Stevie Wonder, singer, 47.

Anniversaries

Births: Dante Alighieri, poet, 1265; Daphne du Maurier, author, 1907; Joe Louis, boxer, 1914. Deaths: Gary Cooper, actor, 1961. On this day: the first permanent English settlement was made at Jamestown, Virginia, 1607. Today is the Feast Day of St Andrew, the Patron Saint of Scotland. St Andrew was the Evangelist, St Glycero of Heraclea, St John the Silent, St Mucius or Mocius, St Peter Regulus, St Servatius or Servais and St Solomon.

ROYAL ENGAGEMENTS

The Queen, accompanied by The Duke of Edinburgh, will attend the following engagements: 13 May, 10.30am, the official launch of the 200th Anniversary of the Battle of Waterloo, 1815, at the Royal Military College, Sandhurst. 14 May, 10.30am, the official launch of the 200th Anniversary of the Battle of Waterloo, 1815, at the Royal Military College, Sandhurst. 15 May, 10.30am, the official launch of the 200th Anniversary of the Battle of Waterloo, 1815, at the Royal Military College, Sandhurst. 16 May, 10.30am, the official launch of the 200th Anniversary of the Battle of Waterloo, 1815, at the Royal Military College, Sandhurst. 17 May, 10.30am, the official launch of the 200th Anniversary of the Battle of Waterloo, 1815, at the Royal Military College, Sandhurst. 18 May, 10.30am, the official launch of the 200th Anniversary of the Battle of Waterloo, 1815, at the Royal Military College, Sandhurst. 19 May, 10.30am, the official launch of the 200th Anniversary of the Battle of Waterloo, 1815, at the Royal Military College, Sandhurst. 20 May, 10.30am, the official launch of the 200th Anniversary of the Battle of Waterloo, 1815, at the Royal Military College, Sandhurst. 21 May, 10.30am, the official launch of the 200th Anniversary of the Battle of Waterloo, 1815, at the Royal Military College, Sandhurst. 22 May, 10.30am, the official launch of the 200th Anniversary of the Battle of Waterloo, 1815, at the Royal Military College, Sandhurst. 23 May, 10.30am, the official launch of the 200th Anniversary of the Battle of Waterloo, 1815, at the Royal Military College, Sandhurst. 24 May, 10.30am, the official launch of the 200th Anniversary of the Battle of Waterloo, 1815, at the Royal Military College, Sandhurst. 25 May, 10.30am, the official launch of the 200th Anniversary of the Battle of Waterloo, 1815, at the Royal Military College, Sandhurst. 26 May, 10.30am, the official launch of the 200th Anniversary of the Battle of Waterloo, 1815, at the Royal Military College, Sandhurst. 27 May, 10.30am, the official launch of the 200th Anniversary of the Battle of Waterloo, 1815, at the Royal Military College, Sandhurst. 28 May, 10.30am, the official launch of the 200th Anniversary of the Battle of Waterloo, 1815, at the Royal Military College, Sandhurst. 29 May, 10.30am, the official launch of the 200th Anniversary of the Battle of Waterloo, 1815, at the Royal Military College, Sandhurst. 30 May, 10.30am, the official launch of the 200th Anniversary of the Battle of Waterloo, 1815, at the Royal Military College, Sandhurst. 31 May, 10.30am, the official launch of the 200th Anniversary of the Battle of Waterloo, 1815, at the Royal Military College, Sandhurst.

Cost of defending disciplinary hearing was deductible

LAW REPORT

13 May 1997

McKnight (HM Inspector of Taxes) v Sheppard, Court of Appeal (Lord Justice Nourse, Lord Justice Potter and Lord Justice Mummery) 7 May 1997

Where a special commissioner found as a fact that a taxpayer's conscious motive in incurring legal expenses to defend disciplinary proceedings brought by the Stock Exchange was solely to avoid the destruction of his business, those expenses were deductible in computing the profits of the trade.

The Court of Appeal allowed the taxpayer's appeal against the decision of Mr Justice Lightman reversing the special commissioner's decision.

The commissioner had found that legal expenses incurred by the taxpayer in respect of disciplinary proceedings against him for alleged breaches of the rules and regulations of the

Stock Exchange were wholly and exclusively expended for the purposes of his trade as a stockbroker within section 130(a) of the Income and Corporation Taxes Act 1970, and were therefore deductible in computing the amount of the profits of the trade.

David Goldberg QC (who did not appear below) and Hugh McKay (Dundee, Wignall, Manchester) for the taxpayer; Timothy Brennan (Irland Revenue Solicitor) for the Crown.

Lord Justice Nourse said that it seemed clear from the commissioner's decision that both sides had proceeded on the footing that he was engaged in determining whether, in incurring the expenditure, the taxpayer had a dual or a single purpose. Although the commissioner

had not accepted that the taxpayer was wholly unconcerned with his personal reputation, he had expressly accepted his evidence that his conscious motive in incurring the expenditure was solely to avoid the destruction of his business. Even before an appellate tribunal which was conducting a rehearing, that finding would have been unimpeachable.

On the Crown's appeal by way of case stated, the question for the High Court had been whether, on the facts found, no person acting judicially and properly instructed as to the relevant law could have determined that the avoidance of the destruction of the taxpayer's business was indeed the sole purpose for which the expenditure had been incurred.

The basis of the judge's decision was that, in order to be deductible, the expenditure must not only be wholly and exclusively incurred for the purposes of the trade, but also sufficiently connected with the carrying on and earning of profits in the trade.

He held that that connection did not exist where the expenditure was incurred in a course of conduct outside the ordinary course of the trade; that legal expenses incurred in defending a trader against successful disciplinary proceedings involving serious and deliberate breaches of the relevant rules and standards were incurred outside the ordinary course of the trade; that in the present case the taxpayer had been found guilty of serious and deliberate depar-

tures from the rules of the Stock Exchange and the ordinary, proper and lawful conduct of his trade; and that the expenses incurred in respect of the disciplinary proceedings were therefore not deductible.

The authorities all adopted the single test which the words of section 130(a) required to be adopted. The second requirement suggested by the judge was only an aid in deciding whether or not the first had been satisfied.

The decisive objection to the basis of the judge's decision was that the commissioner had not been asked to determine, and had not determined, whether the legal expenses had been incurred outside the ordinary course of the trade.

The taxpayer's appeal would be allowed, and the commissioner's determination restored.

Kate O'Hanlon, Barrister

Where will Blair find the critics in this Parliament?

How do we take the Tory leadership contest seriously? Kenneth Clarke, substantially the best qualified candidate for the post, is assumed, perhaps a shade too glibly, to be a certain also-ran. The right-wing faction of the party (compare and contrast Gordon Brown/Tony Blair after the death of John Smith) is itself so split that it has not one but four candidates. Ann Widdecombe, a supporter of Peter Lilley, adds a pleasurable frisson of horror to this heady mix. After working closely with Michael Howard for several years, she has "told friends" (a classic formula for authorised but deniable knife-work) that he is "dangerous stuff" and that there is "something of the night" about him. And after all it's only days since William Hague had quaffed champagne – after sundown of course – with the nocturnal Howard and emerged his trusted running mate; it wasn't until dawned and the potion wore off that he came to his senses and decided to stand himself. On just what platform isn't yet fully apparent.

Why do any of these antics matter? Because it isn't clear – on the showing so far – that the Tory party is anything like ready to cohere into an effective opposition. Or even that it will emerge from the leadership contest purged by the kind of great intellectual struggle which would give it the unity and sense of purpose it shed in government. That matters because even the best of governments need good oppositions to make them better.

Sometimes this can work in surprising ways. In the late 1980s I can remember a very senior Home Office official complaining that Douglas Hurd's job in improving prison provision had been made much more difficult because the Shadow Home Secretary Roy Hattersley had failed to turn up to the Commons to protest about the use of Army camps for prisoners; and a Cabinet minister wishing aloud that Robin Cook was his shadow opponent because it would make it so much easier to extract funds from the Treasury for public housing. Less surprisingly, ministers are frightened by effective opponents into behaving better than they otherwise would. The Commons may have lost a lot of its shine in the last few years; but the fear of humiliation at the dispatch box by an opposition Private Notice Question in the right hands remains a potent deterrent against skulduggery.

The dangers of an enfeebled opposition, of course, are magnified by the huge size of Tony Blair's majority. His freedom of action is almost limitless and vastly greater than that – say – of President Clinton, hemmed in by a hostile legislature. His chances of losing a single vote, let alone one of importance, during the entire Parliament are negligible. On devolution, a centerpiece of tomorrow's Queen's Speech, the Tories cannot even muster a single Scottish MP to be Donald Dewar's opposite number. The backwoods Tory peers can slow him down, as they may try to do over the ban on handguns. But in general Blair can do what he wants, in a way that the Liberal government could not after 1906. Clever, honourable men such as Tim Dalyell and Denzil Davies are unwelcome and may be at least as dangerous on, respectively, devolution and Europe to the executive as the traditional left. But most, if not all, full-scale backbench rebellions will be snuffed out by a



Donald Macintyre

The Tory party is not ready to cohere into an effective opposition, but every government needs good oppositions to make it better

combination of the massed ranks of the eager young Blairites and the party discipline for which their party has already become justly famous.

Consider also the effect on the select committees which, however imperfect, remain the main instrument of parliamentary scrutiny. These will now have on them a majority of pro-government MPs as large, proportionally, as that in the Commons itself. So too will the standing committees that are supposed to subject bills to detailed examination but have lamentably failed to do so over the past 18 years.

So there are real dangers, but also, perhaps, some solutions too. The first is the historically large presence of 46 Liberal Democrats. In a speech to his new MPs last week, Ashdown pledged "constructive" rather than "knee-jerk" opposition. From Scotland, where they have the biggest single number of MPs, the party is already jostling with the Commons authorities to be treated as the official Opposition on Scottish business. And Liberal Democrats have the potential to harry the government not only on electoral reform – though they will if there is backsliding on the referendum pledge – but also on the issues that most concern many Labour MPs, including education, health and civil rights.

Another solution is parliamentary, and governmental, reform. Incorporation of the European Convention of Human Rights into British law suggests that Blair is ready for the judges to impose limits on his own power. But he is also prepared for an extension of select committees, the real use of backbenchers to help formulate government policy, and a culture of sensitivity to intelligent parliamentary criticism? This would go a long way to check the danger of the government making the kind of arrogant errors that will cost it dear at the polling booths next time. So would the use of standing committees for the purpose they were intended – partly by being given a pre-legislative role and the right to call expert witnesses – rather than as mere engines of party hackery. And if it's true, as it seems to be, that a Freedom of Information Bill was partly omitted from Wednesday's speech because David Clark missed a train and turned up late to the crucial Cabinet meeting, then it should return next year in the wake of the promised White Paper.

The omission of Tony Wright and Giles Radice, two MPs who have thought deeply about these subjects, from the ministerial ranks, is a disappointment. But the expected appointment of Wright as Parliamentary Private Secretary to Lord Irvine, who has a key Cabinet responsibility for constitutional reform, is a better omen. And Radice's power to oversee the Whitehall machine as chairman of the Public Services Committee, if he continues in that post, could be extensive.

If safety valves of dissent are not built anew into the system, then the vital task of opposition will be left to other more volatile and less democratic theatres of dissent: the miners, the streets, perhaps above all the press. But Blair is single-minded about implementing what he sees as the popular will expressed on May 1, and the last six years don't exactly make a case for loose or weak government. There is a balance to be struck, and modernising Parliament would help him strike it.

Ovid brings out the beast in Disney

by Richard D North

Walt Disney's *Beauty and the Beast*, the stage show, opens at the Dominion, Tottenham Court Road tonight. It deserves to be a winner: Disney is, after all, tackling themes of sex and violence with wit and great tunes. But there is tough competition in the field of species cross-over just now.

Not least, there is the revival of interest in Ovid's *Metamorphoses* – the classical round-up of every myth that ever saw intraspecific transmutations. *The Economist* reminded us last week that nearly 300 years ago John Dryden was the first poet laureate to have a go at translating this 2,000-year-old reworking of ancient stories. Now Ted Hughes, a man in whom nature thrums, has triumphed with his gutsy tribute, *Tales from Ovid*.

In this company, one remembers that Disney is famous as Bowdler Inc. But its 1992 film of *Beauty and the Beast* – and the stage show is its clone – was deeply serious. It has a guy and a doll swing to it, but is in an art tradition too. It is very similar to the movie made by Jean Cocteau in 1945, with its own adherence to Marie Leprince de Beaumont's *La Belle et la Bête* (1756), which itself popularised a version of the late 17th century. Before that the mist close on the headwaters of the story, though they are surely to be found in classical Greece and Psyche and Cupid, in Ovid's stories about the Minotaur, and Jupiter's bovine disguise (Hughes has "Europa crying out at sea/Astride the bull that had deceived her").

For the theatre, there are some good new songs by Tim Rice, who has rather perversely gone out of his way to insist that this is only entertainment. It is true that overt toughness is usually missing from fairy stories, and even Ovid's myths have a sort of cartoon brusqueness about them. But Hughes brings real blood and passion to the page, and on stage, Disney was bound to make concrete what story-telling might leave elliptical. This year's Theatre Royal, Stratford East production of *Beauty and the Beast* was a traditional pantomime, but it still carried heavyweight baggage, and the more obviously muscular production at the Young Vic certainly did. All deliver what kids like: magic without nonsense.

While there is no intellectual property right in fairy stories (perhaps part of their charm to Disney), there is plenty of intellectual content. According to Jungian exegesis, fairy stories allow children to explore the worst of their fears and fantasies as well as their wildest dreams. That, at least, was the theme of Bruno Bettelheim's fine *The Uses of Enchantment*, published in 1975. It begins with the



Myth meets musical: Julie-Alanah Brighton and Alasdair Harvey on stage in 'Beauty and the Beast'

Geraint Lewis

The stage production treats sex and violence with wit and good tunes, and shows the fairy-tale's roots in classical myth

premise that fairy stories are both extraordinary and commonplace. Their appeal to children could not be constant were it otherwise: they are not firing blanks.

Beauty and the Beast is, after all, about a girl who loves her father to the point that she is prepared to suffer imprisonment at the hands of the Beast on his behalf. She saves her father by transferring her affection to the Beast.

To do this she must embrace the loveliness – presumably the sexuality – of the Beast. She has to grow up. So does the Beast, who has been incarcerated in a loathsome form by a fairy because he had not understood that hidden qualities matter more than loveliness in a woman. Disney's rather human and boyish Beast helps us to see that he is an ordinary man condemned to wearing the ugly bits of his untamed heart and mind on the outside. But his deformity is only rare in being visible.

Even in the Disney production, the Beast inflicts violence on Beauty, and it is a pivotal moment because she flees from him and he is shocked into

redeeming himself. More than would have been the case traditionally, the Beast has to exercise anger management: that's his 20th-century problem.

The tale hints at man as voyeur: the Beast looks on at his prisoner Belle, able to see all that is going on in his castle through using a magic mirror as his CCTV. He can see Belle, but tragically he is not tender enough to be able to communicate with her.

He and Belle will be delivering an essay on aesthetics to their young audiences. The philosophical message of the Beast is that only things which are capable of ugliness can be beautiful. The Enlightenment had suggested that objects and ideas which inspired powerful nervous reactions were ugly and brutish, unless they were found in the classics – Ovid and the like – and kept there.

But with Burke's 1757 essay, *The Sublime and the Beautiful*, we have the precursor of the Romantic movement of the late 18th century, which proclaimed that human and natural wildness constituted the "sublime". Sublimity is allied to

grandeur. It may or may not be beautiful, but it is always more than merely pretty. The Beast may be violent, but he suffers for it and at least he isn't merely mannered.

Herbert Read's account of *Beauty and the Beast* in a 1962 essay quotes Nietzsche, "Greek art has taught us that there are no truly beautiful surfaces without dreadful depths", but he mourns the excesses that flow from celebrating the fearsome: "Again and again modern artists have downed the concept of the beautiful." Don't we just know it.

Yet in the Volland Suite, Picasso created in the Thirties a great and lovely modern work by examining at length all the themes that are to be found in *Beauty and the Beast*, and many of those of Ovid. Echoing drawings by Goya and especially

Rembrandt, he sketched and resketched images of male roughness and worse as it revolved in, was bewildered at, or redeemed by female tenderness and loveliness. It might depict the male artist gazing longingly at the sleeping model before idealising her in a statue; a Minotaur aching to slough off his hairy carapace. Or just a lover gazing at his mistress (a theme taken up by Stanley Spencer among many others).

After seeing *Beauty and the Beast*, audiences might be advised that further reading should include the Thames and Hudson "World of Art" series, including its volumes *Picasso, Romanticism and Art, and Sexuality in Western Art*. The Beast would almost certainly have them in the library which Disney has him donating to Belle in his attempts to woo her. He has time before curtain up tonight to nip out and add, he new Hughes/Ovid volume.

In fact, if Ovid could time-warp himself into the here and now, he would probably enjoy a seat in the stalls.

Tales from Ovid by Ted Hughes (Faber, £7.99).

The man who abolished madness



Andreas Whittam Smith

R D Laing regarded psychiatry as akin to penology, designed mainly to keep mad people out of society's way

Subversive yet compassionate, enduring yet marginal. This is how the work of a key figure in the 1960s, a leader of the counter-culture, the Scottish psychiatrist R D Laing, was characterised at a meeting to reassess him which took place at the Mahatma Gandhi Hall in central London on Sunday. It was a gathering of 100 or so admirers, of people who want to carry on developing his insights.

Laing's work and writing started from the assumption that schizophrenia is not a disease with symptoms in any conventional sense. No malfunctioning of the brain has yet been detected that explains mental illness. Thomas Szasz, a contemporary of Laing, said that minds could be "sick" only in the sense that jokes were "sick" or economies are "sick".

In *The Divided Self*, Laing's most influential book, he wrote that it was possible to know just about everything that could be known about schizophrenia without being able to understand one single schizophrenic.

It is from this starting point that flowed both Laing's subversive intent and compassionate response. He was one of the founders of the anti-psychiatry movement which persists to this day. In this view, psychiatry is seen as akin to penology; it is primarily concerned with keeping mad people out of society's way rather than with improving their condition. Its history is a history of constraint.

We even get a glimpse of this in Boswell's life of Johnson. The great man was asked to comment on the unfortunate poet Christopher Smart, who was "confined in a mad-house". Boswell had asked Johnson how does "poor Smart do?". He replied: "I do not think he ought to be shut up. His infirmities were not noxious to society. He insisted on people praying with him; and I'd as lief

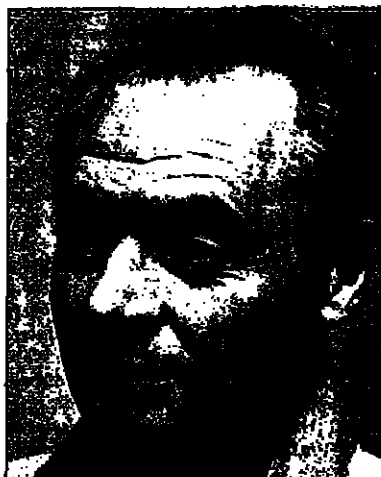
pray with Kit Smart as anyone else. Another charge was, that he did not love clean linen; and I have no passion for it."

One hundred years later new state institutions were set up, with locked wards, padded cells and strait-jackets. Instead of prisons, prisoners and wardens, there were mental hospitals, patients and nurses. Later, from the 1930s to the 1950s (when Laing was working in a Scottish mental hospital), came the use of insulin-induced comas, lobotomy and electroshocks. Since then constraint has largely been achieved through the agency of tranquillising drugs. For Laing, the state system which he had seen from inside was worse than useless, because its methods could have perverse results.

At the heart of his analysis was the notion of a person so utterly insecure that in the ordinary circumstances of living, he or she may feel more unreal than real, more dead than alive, precariously differentiated from the rest of the world, so that his or her identity was always in question. Such people may feel more insubstantial than substantial, and they may feel their selves as partially divorced from their bodies.

In these circumstances, everyday life constitutes a continual and deadly threat. Their incomprehensible talk, their weird behaviour, their catatonic states are all to be seen as defensive strategies, designed to protect their poor tortured souls from engulfment, implosion or depersonalisation.

Schizophrenics could be understood and helped, argued Laing, only with compassion and with therapy rather than medical intervention. At the meeting on Sunday, all the talk was of the need to be with people before you could help them, to stand by attentively, of developing an "attuned" understanding of the schizophrenic's situation,



Laing: use compassion, not medicine

of cultivating an ability "to be with". What patients needed, it was said, was an experience, not an explanation such as psychoanalysis offers. Somebody who had worked with Laing said that his patients found themselves as part of a general enterprise of understanding what it is to be human.

It follows that the appropriate setting for such work is a therapeutic community rather than a hospital. For five years in the 1960s, Laing ran such a place, Kingsley Hall in the East End of London, where it became a notorious feature of the counter-culture of the decade. It was chaotic and anarchic and a nuisance to its neighbours.

Clancy Sigal, in his obituary of Laing, wrote that "we were not looking for cures, because there was no madness if we stopped thinking in terms of madmen and madwomen and started perceiving more joyfully in the unhelpfulness (called "madness") of others,

there was some possibility – none of us in our right minds called it more than that – that people in trouble might be helped."

Along with criticisms of conventional psychiatry, the Kingsley Hall initiative has also been developed and refined. In this country a number of small communities have been founded, often called "households" to imply the creation of a sort of family structure. The more ordinary these refuges appear, the more tranquility they impart. In the United States, ambitious projects have been attempted. On Sunday, Loren Mosher gave an account of two houses he established in California, which operated for 12 years until their funding eventually dried up.

He set out to "de-hospitalise" madness, de-medicalise madness (ie, it is not a disease), to de-professionalise it with the use of staff without mental health qualifications whose first duty was "to be with patients", and to de-drug it. A study has subsequently shown that the outcomes were as good or better than those for patients treated in hospitals. Mr Mosher is having similar success with a much larger undertaking in Washington DC.

None the less, these initiatives and the beliefs which underpin them remain marginal. Thirty years have passed since such notions were first discussed; Laing was their leading exponent. Neither side has been able, once and for all, to vanquish the other in argument, because neither can show convincing proof of its assertions.

Laing's followers argue that therapeutic communities are cheaper to run than state facilities, but the argument does not convince and the medical establishment continues to view schizophrenia as a disease which can be ameliorated, if not cured, with sophisticated drugs.

SHIRTS - Thomas Pink of Jermyn Street. Summer '97 Catalogue out now. For a free copy send the coupon or telephone 0171-498 3882

PINK

Send to: Thomas Pink, FREEPOST LON 350, 85 Jermyn Street, PO Box 7786, London SW1Y 6BR

Name: _____

Address: _____

Postcode: _____

☐ Please tick if you do not want to receive selected mailings.

business & city

Business news desk: tel 0171-293 2636 fax 0171-293 2088
BUSINESS & CITY EDITOR: JEREMY WARNER

GrandMet and Guinness in £20.6bn deal

Wave of consolidation to follow giant merger

Nigel Cope
City Correspondent

Guinness and Grand Metropolitan heralded a new wave of consolidation in the drinks industry yesterday when they announced a £20.6bn merger that will create the world's largest spirits group.

The new company, GMG Brands, will be the world leader in Scotch, vodka and gin with a list of brands that includes Grand Met's Smirnoff vodka, J&B whisky, and Bailey's as well as the Guinness-owned Johnnie Walker and Gordon's gin.

The company said there were no plans to spin off or demerge the non-spirits interests which include Guinness Brewing Worldwide, producer of the famous stout, or GrandMet's Pillsbury and Burger King interests.

The deal, the largest pure merger in UK corporate history, is expected to provoke a wave of consolidation in the spirits industry which has been plagued by over-capacity, declining sales and a tough pricing environment. Ron Littleboy at Nomura Securities said: "This is the big bang for the spirits industry. All the others will be worried sick by it."

He said the forming of GMG Brands would put pressure on other competitors, particularly Allied Domecq, the Teacher's and Ballantine's whisky group which has seen its market share come under pressure. It will also place pressure on smaller spirits groups.

"It presents a tremendously difficult problem for Allied," said Philip Hawkins, analyst at Merrill Lynch. "It will have to look for strategic partners."

Allied Domecq, which reports results today, declined to comment. However, analysts suggested Allied may now seek a link with Seagram, the Canadian group which has several leading brands that include Chivas Regal and Mumm's champagne. Other possibilities mentioned included a bid from American Brands or Brown Forman, another US group.

They further suggested that it was possible that Seagram may move to mount a counter takeover bid for Guinness.

Seagram launched a strong offensive against the proposed merger saying it would raise "serious anti-trust issues, in the US, Europe and elsewhere". Robert Matichuk, the company's vice-chairman and chief financial officer said: "The industry is suffering from over-capacity but it is hard for us to imagine a more anti-competitive way of dealing with it than this deal."

He said the link-up would give GMG Brands more than half of the global scotch business and 75 per cent of the standard scotch market in the US. "I don't know if they think the regulatory authorities are snoozing but if this deal goes through I believe it will only be after a huge amount of scrutiny and only with major divestitures."

He added that Seagram was not considering a major

dismissed stock market rumours that it was set to launch a takeover of GrandMet. Tony Greener, Guinness chairman, who will be joint chairman of the merged group with Grand Met's chairman, George Bull, said he had rejected that option as it would have destroyed shareholder value.

However, it was Mr Bull who initiated the merger discussions when he invited Mr Greener for dinner at a central London hotel just a month ago. Mr Bull described the deal as a "win-win situation" and said it was born of commercial logic and personal friendship.

Mr Greener said: "This marks an important point in history when it is possible to two big companies to come together without destroying shareholder value for one of the parties."

Grand Met's chief executive, John McGrath, who will be chief executive of GMG Brands, said the deal was logical in the face of spirits industry which was facing declining demand, over-capacity and strong retail customers. He said the two groups were a perfect fit, with few overlapping brands and complementary geographic strengths.

The deal was opposed by Bernard Arnault of Louis Vuitton Moët Hennessy, the luxury goods group which holds 14.2 per cent of Guinness. He voted against it preferring to spin-off the non-spirits interests into a separate company.

The deal still requires regulatory approval and its size means it will by-pass the UK competition authorities and be ruled upon by the European Commission's merger task force instead. The management said they were confident of approval.

Under the terms of the deal Grand Met shareholders will hold 52.7 per cent of the enlarged group with Guinness shareholders holding the remaining 47.3 per cent. Shareholders will receive a special capital repayment of not less than 60p per share.

Grand Met also announced its interim results yesterday showing profit up just 3.5 per cent in the six months to 31 March to £471m.

Comment, page 17

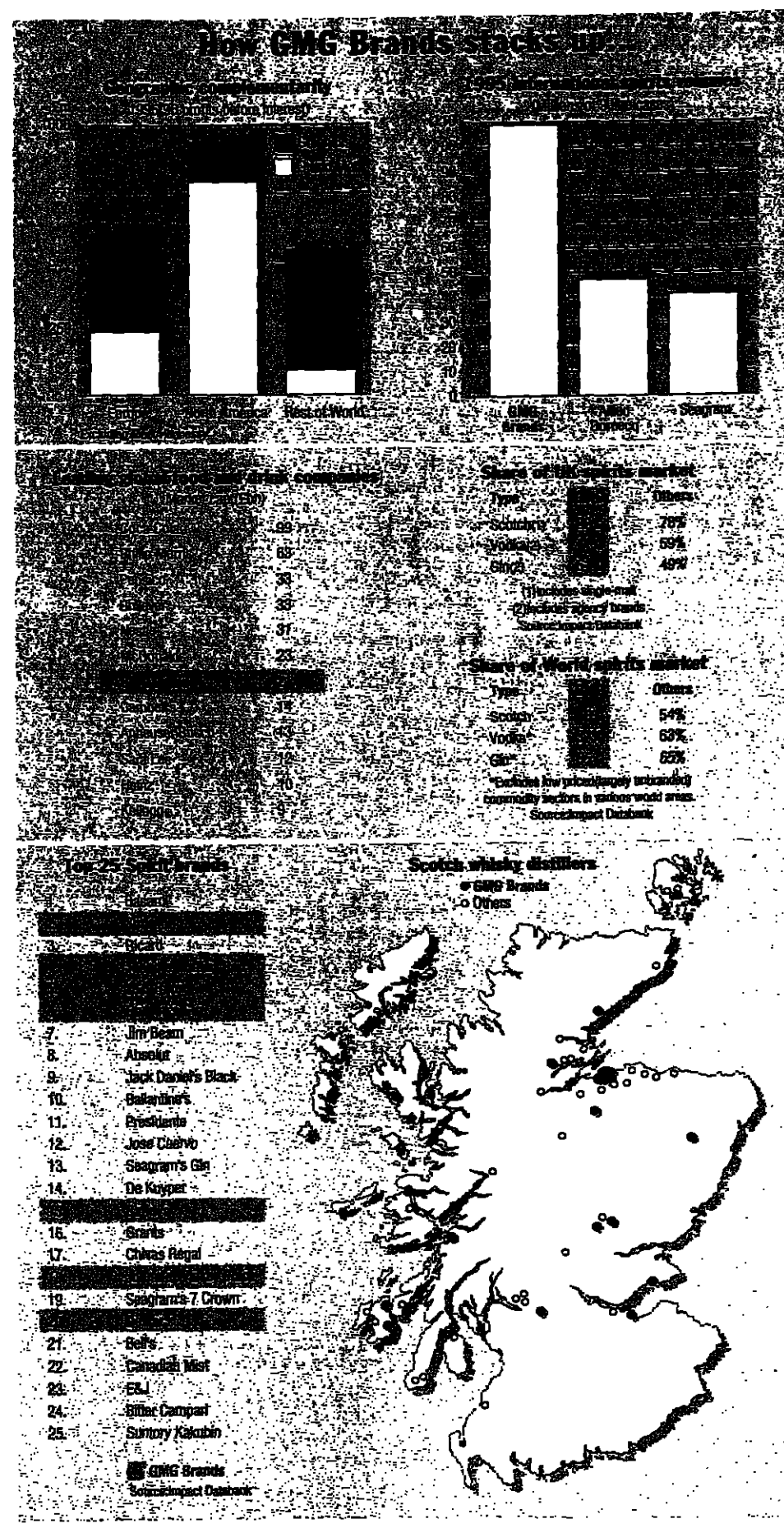
This is the big buy for the spirits industry. All the others will be worried sick by it — Ron Littleboy of Nomura Securities

takeover as it would only face the same regulatory difficulties. "We do not feel compelled to do anything."

Jamie Wilson, finance director of Highland Distilleries which owns the Famous Grouse and Highland Park brands of Scotch said: "The question of consolidation is one that everyone will now be asking themselves, but I am reserving my judgement."

The deal was welcomed in the City where shares in both companies soared. Guinness shares closed 86 higher at 602.5p while Grand Met shares finished 76.5p up at 591.5p.

The move surprised many analysts as only last year Guinness



Greener denies boardroom row with Arnault

Tom Stevenson

Tony Greener, chairman of Guinness, was yesterday attempting to play down an apparent boardroom rift with Bernard Arnault, the head of the French LVMH luxury goods group. Mr Arnault, who until recently controlled more than a fifth of Guinness's shares, voted against the proposed merger with GrandMet at last Friday's board meeting, throwing his future at the company into doubt.

"Let me assure you that there has not been any sort of row between ourselves and LVMH," Mr Greener said. "We have had a number of very commercial, professional and sensible discussions about this. Discussions between us were not at all acrimonious but it is not unknown for the French and British to disagree."

He denied the relationship with LVMH, which after selling one-third of its stake in January retains a 14.2 per cent shareholding in Guinness, was effectively dead. "Absolutely not. We have a lot of mutual interests and benefits from our joint venture," Mr Greener said.

After the merger Mr Arnault's stake in the combined Guinness/GrandMet group will fall again to between 6 and 7 per cent and analysts in Paris were speculating yesterday that he would soon move to sell his remaining holding. Mr Arnault was not in London yesterday and it is not yet known if he will attend Guinness's annual meeting on Thursday.

There has been increasing speculation since last summer that Mr Arnault is growing more and more dissatisfied with the return on his investment in Guinness, whose shares have drifted throughout most of the 1990s. The value of his stake had also been hit until recently by the fall in the value of the pound against the French franc.

There had been no acrimony, Mr Greener said, and workmanlike discussions would carry on over the coming weeks. Mr Arnault had been told of the plans

at the same time as other Guinness board members about two weeks ago, a fortnight after Mr Greener and GrandMet's chairman, George Bull, agreed to explore a merger.

Mr Arnault wrote to the heads of the British groups to propose combining the three spirits and wines businesses of GrandMet, Guinness and Moët Hennessy as an independent listed group. Asked if Mr Arnault would be offered a place on the board of the merged company, Mr Greener said: "That's not for me to say."

Guinness and LVMH have had a close relationship since 1988 when the two companies took a 12 per cent cross-share-

Discussions between us were not at all acrimonious but it is not unknown for the French and British to disagree

holding in each other as a bulwark against hostile bids for either party and as a prelude to creating a worldwide distribution network for their products. After a string of successful ventures, the two increased their shareholdings to 24 per cent.

The cross-shareholdings were restructured in 1994 when Guinness came under fire for getting too involved with a diversified luxury products group that was looking to expand in television and fashion. Guinness swapped its stake in LVMH for a 34 per cent holding in its Moët Hennessy drinks arm. LVMH's stake in Guinness fell to 21 per cent where it remained until last January's partial sale.

A marriage that was just waiting to happen

Whatever the competition authorities and the consumer might make of the proposed merger of Guinness and GrandMet, it is hard to fault the deal in financial or commercial terms. In spirits, which is what this marriage is really about, the two companies' geographical and product spreads mean this was a combination just waiting to happen.

It marks a first step in the consolidation the industry has needed for years to solve the deep-seated problems of price increases below inflation in its mature Western markets, de-stocking and heavy price discounting after the late 1980s party collapsed into the hang-over of the early 1990s recession.

GMG Brands, as the new monolith is to be called, will be Britain's eighth biggest company and the world's seventh largest food and drink group, with a market value in excess of £20bn. Valued at just less than McDonald's, it will dwarf other global players like Heinz and Kellogg. It will have 18 of the world's top 100 spirits brands, combined sales of almost £11bn, profit before interest and tax of £2.2bn and free cash flow of over £900m.

Such is the strength of the new group's balance sheet that one of its first moves will be to hand £2.4bn of surplus capital straight back to shareholders via a 60p payout, which for tax reasons will be in the form of a new class of share, convertible into cash.

Even after that act of largesse, its earnings will cover interest payments on its debts more than five times.

Although a genuine merger between the two companies, the deal is to be structured as an all-share takeover of GrandMet by Guinness, which will change its name to GMG Brands before swapping one of its own shares for each GrandMet share. As a result of their company's slightly greater size, GrandMet shareholders will end up owning 53 per cent of the enlarged group.

The deal represents a combination of some of the best known food and drink brands in the world. More than half its profits will come from its spirits arm, a combination of Guinness's United Distillers (UD) and GrandMet's International Distillers and Vintners (IDV).

Its enlarged spirits portfolio will combine Johnnie Walker whisky and Gordon's gin from

UD with IDV's J&B scotch, Gilbey's gin and Bailey's liqueur.

Sales of its spirits brands, which also include Jose Cuervo tequila, Hennessy cognac and Malibu, will leave its main competitors, Allied Domecq and Seagrams, standing.

The combined UDV will sell more than 100 million cases of spirit, compared with Allied's 47

million and the Seagram's 41 million.

GMG's other interests include GrandMet's Pillsbury food manufacturing business, Haagen Dazs ice-cream, and Guinness's 34 per cent investment in the Moët-Hennessy champagne to cognac group. It takes in the original Irish stout brewing operation and Burger King.

The commercial appeal of

the proposed deal hinges on the ability of the new spirits business to push a greatly enlarged portfolio of brands through an existing distribution network around the world. GrandMet has next to no exposure to the developing markets of the Far East and Latin America, so adding its products to Guinness's existing offering will increase sales in those regions rapidly at little extra cost.

Guinness currently makes around 44 per cent of its spirits profits in developing markets, while GrandMet's exposure is less than 10 per cent. The combined group will make about a quarter of profits from those fast-growth regions.

In the mature markets of North America, where GrandMet is strong, and Europe, combining the two operations will increase GMG's buying power in a still highly fragmented market and help it force through price rises after years of flat demand and low inflation keeping a lid on the cost of spirits.

Less clear cut on the benefits of holding on to the non-spirits operations, even if John McGrath, chief executive-designate, is understood to believe

that by the end of the decade Burger King will be the fastest growing part of the group and provider, thanks to its franchise system, of a sizeable filip to the group's return on capital.

The real attractions of the proposed deal are financial. Structured as a marriage of equals, the merger avoids the enormous squandering of value that a hostile bidder's shareholders would have to face by eliminating the need to pay a premium for control. With cost savings of just £175m pencilled in over three years, it is little wonder that Guinness balked at paying a premium of maybe £4bn over GrandMet's market value of £11bn.

With a return on capital of only 8 per cent compared to Guinness's 12 per cent, GrandMet gets arguably the better end of the deal from that perspective.

Putting the two groups together should mean an aggregate return in excess of the weighted cost of their capital of around 10.5 per cent, a benchmark the industry has struggled to match through the long years of recession.

Tom Stevenson

Labour's first big test on competition

Michael Harrison

Labour's gut instinct may well be to haul the proposed GrandMet-Guinness merger back from Brussels and insist on the deal being vetted here, making it the first big test case of the Government's competition policy.

How easy that would prove in practice is less clear. In terms of its size and the proportion of turnover generated in the UK as opposed to Europe and elsewhere, the deal falls squarely under the remit of the European Commission's mergers task force. Mergers are referred automatically to Brussels if the combined turnover of the parties exceeds 5bn ecu (£3.5bn), each of them has EU sales of at least 250m ecu and not more than two-thirds of sales are within one member state.

There is a clause in the legislation, however, which allows a member state to ask Brussels for jurisdiction to be handed back to national competition authorities if it can demonstrate that a merger would pose competition problems in a distinct market. This clause was successfully used to permit the Office of Fair Trading and the Monopolies and Mergers Commission to vet the rival bids by Gehe and Unichem for Lloyds's Chemists.

Yesterday Guinness and GrandMet both said they were confident that there was no case for the merger being examined by the UK authorities as opposed to those in Brussels. There were similar indications coming from the OFT. Less than 10 per cent of GMG's combined sales are within the UK. Even so, its dominance of some distinct markets would be significant. The combined group would account for 51 per cent of all the gin sold in the UK, 41 per cent of all the vodka and 22 per cent of all the Scotch whisky consumed. Given

the wider employment considerations and the even bigger concentration in manufacturing that would stem from the merger, Margaret Beckett, President of the Board of Trade, could make a strong case for wresting authority back to London.

How would Labour handle such a merger? The ink is not yet dry on its competition policy. Nigel Griffiths, the minister responsible for competition, has only just been handed his portfolio and Lord Bore, the former Director-general of Fair Trading, who is leading a panel of three wise men advising Labour on how its competition policy should be formulated, has yet to report.

However, Mrs Beckett had a reputation, in opposition at least, for being something of a hawk on mergers policy. Mr Griffiths, her junior minister, also had a penchant for backing referrals and then asking questions later.

At Mrs Beckett's behest, Labour had intended to reverse the burden of proof in hostile takeovers so that the bidder would be required to demonstrate that a merger was in the public interest. The onus now is on the competition authorities to prove that a merger would be against the public interest. Although this commitment was omitted from Labour's business manifesto in favour of a promise that Lord Bore would "review" the public interest test, there seems little doubt that the climate for hostile bids is going to become more difficult.

It is likely to be several weeks before GMG discovers where its fate is to be decided. If it is London, then it should get some clue as to the kind of treatment it can expect from Mrs Beckett's rulings on the three big merger deals piled up in her in-tray awaiting clearance: Bass-Charles Tetley; P&O-Stena; and British Airways-American Airlines.

STOCK MARKETS									
FTSE 100									
Index	Close	Week's chg	Change (%)	1996/97 High	1996/97 Low	1996/97 High	1996/97 Low	1996/97 High	1996/97 Low
FTSE 100	4630.90	+175.3	+3.9	4630.90	4096.60	3.50			
FTSE 250	4528.20	+28.1	+0.6	4728.40	4489.40	3.50			
FTSE 350	2247.50	+71.2	+3.3	2247.50	2017.90	3.52			
FTSE SmallCap	2308.08	+12.6	+0.5	2374.20	2178.29	3.02			
FTSE All-Share	2208.01	+66.8	+3.1	2238.01	1989.78	3.48			
New York	7133.41	+62.2	+0.9	7225.32	6932.94	1.73			
Daily	19802.78	+288.0	+1.5	20180.32	17303.85	0.81			
Hong Kong	13930.80	+849.1	+6.5	13930.80	12055.17	3.99			
Frankfurt	3562.41	+102.0	+2.9	3568.28	2846.77	1.52			

Statistics as of 12 May

INTEREST RATES									
UK interest rates									
Index	1 Month	3 Months	6 Months	1 Year	2 Year	3 Year	5 Year	10 Year	30 Year
UK	6.25	6.25	6.25	6.25	6.25	6.25	6.25	6.25	6.25
US	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50
Japan	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Germany	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Bond Yields									
Index	1 Month	3 Months	6 Months	1 Year	2 Year	3 Year	5 Year	10 Year	30 Year
UK	6.25	6.25	6.25	6.25	6.25	6.25	6.25	6.25	6.25
US	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50
Japan	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Germany	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
MAIN PRICE CHANGES									
Index	1 Month	3 Months	6 Months	1 Year	2 Year	3 Year	5 Year	10 Year	30 Year
Legal & Gen Op	481.5	52.5	12.2	Daily	263	47	15.2		
Bk of Scotland	414.5	43.8	11.8	87R	230.5	30.5	11.7		
Lloyds Tsb Op	620.5	64.5	11.6	Man Ltd	605	62.5	8.0		

CURRENCIES									
£/\$									
Index	Close	Week's chg	Tr Yr Ago	Close	Week's chg	Tr Yr Ago	Close	Week's chg	Tr Yr Ago
\$ (London)	1.6194	+0.126	1.5232	\$ (London)	0.6175	-0.05	0.6385		
\$ (New York)	1.6230	+0.106	1.5233	\$ (New York)	0.6166	-0.04	0.6382		
DM (London)	2.7423	-5.470	2.3103	DM (London)	1.6934	-3.510	1.5188		
¥ (London)	197.081	-98.002	169.542	¥ (London)	121.700	-5.035	104.745		
€ Index	96.0	-1.7	84.4	€ Index	104.1	-1.9	96.1		
OTHER INDICATORS									
Index	Close	Week's chg	Tr Yr Ago	Index	Close	Week's chg	Tr Yr Ago	Index	Close
Oil Brent \$	18.84	+1.03	18.80	RPI	155.4	+2.80	150.9	18 May	
Gold \$	345.90	+6.00	392.80	GDP	109.7	+2.80	107.0	29 May	
Bond \$	213.59	+3.14	267.88	Base Rates	-	6.25pc	6.75	-	

مكتبة من الامم المتحدة



COMMENT

This is plainly a great deal for the City and for investors, as yesterday's sharp rise in the share price of both companies bears testimony, but is it also good for UK plc?

Merger faces uphill struggle with regulators

Less than two weeks into Labour's "new dawn", and already the City is presenting the Party's radical young thinkers with an uncomfortable policy dilemma. That assumes, of course, that Brussels allows the new Government some say over Guinness's proposed merger with Grand Metropolitan, and doesn't exercise its right to keep all the action for itself. Legally, this is a merger which falls under the jurisdiction of the European Commission. But since the main competition issues occur in the UK, the bulk of the job losses will be in Britain, and the two companies involved are both British, even Brussels would be hard pressed to ignore British sensitivities on this matter entirely.

This is plainly a great deal for the City and for investors, as yesterday's sharp rise in the share price of both companies bears testimony, but is it also good for UK plc? That's a much tougher question, which is not answered by the bald insistence of Tony Greener and George Bull that it is, and that as a consequence there are no regulatory issues to address. The basic rationale for this merger is that old chestnut, big is beautiful - that the two companies combined will be a much more effective global force than separately.

To be fair, there may be something in this. The two companies are largely complementary on the liquor side, in both brands and geographically. Combine the two brand portfolios and feed them through the two

different distribution and marketing networks, and there should be a significant uplift in sales (should being the operative word here). Unfortunately, this argument rather ignores the rest of Grand Met and Guinness. There is nothing that links Pillsbury Foods, Burger King and Guinness Brewing with this commendable rationale, nor does getting as big as the Nestles and Pepsi Cos of this world give GMG Brands anywhere near the same product and cultural cohesion as those two companies enjoy.

From this perspective, Bernard Arnault's alternative approach - which would see IDV, United Distillers, and Moët Hennessy merge under the splendidly Gallic capital structure of three separate shareholding companies - is industrially the rather better solution. The trouble is that Grand Met would never have contemplated demerging IDV, nor would Guinness be prepared to separate its spirits interests from its brewing. But let's leave that for the moment.

Guinness is also right to point out that the world market in spirits is a fragmented one when compared with some other leading consumer products like detergents and soft drinks. Even combined, these two companies would have no more than 10 per cent of the "accessible" world market in spirits. If you take the broader definition of the world spirits market, taking into account unbranded local hooches, then it comes down to less than 5 per cent.

But cut the figures another way and you get a quite different picture. The two companies combined would have 46 per cent of the world market for scotch whisky, 37 per cent for vodka and 35 per cent for gin. The point is that Britain is already hugely successful in selling these products in export markets. Is it going to be made any more successful by allowing its biggest two players to merge? Take the US, where Guinness and Grand Met have the top three selling scotches between them. Once the spur of competition is removed, it seems more likely they will sell less, though at a higher price, not more.

The situation isn't much better in the UK, where the combined market share of these companies in scotch, gin and vodka is equally alarming. So although Messrs Greener and Bull may be right about all this, regulators are going to take quite a lot of convincing. Even in its new form, Labour is going to be more sceptical still.

Today brings the first Inflation Report to be published since Gordon Brown made the Bank of England independent. As that was only last week, the report will look much the same as it always has. But independence has changed its purpose. In the past it has assumed that interest rates are kept at the existing level and predicted the consequences for the underlying inflation rate. In future, it will have to predict that inflation is going to be on target, or the new Mon-

etary Policy Committee will not have been doing its job properly.

A document that always has to predict on-target inflation will turn into more of an Interest Rate Report, reflecting the committee's analysis of the state of the economy and likely moves in the cost of borrowing during the next quarter. It will become an important means for the Bank to persuade public opinion of the merits of its case.

Today's report must have involved some tricky drafting manoeuvres. In February the Bank issued a stiff warning about inflation prospects, backing up its repeated advice to Kenneth Clarke to raise rates. Since then we have had three months' worth of strong economic data and, last week, a quarter point rise in base rates. It will be hard to argue that the small and belated move is enough to have put inflation right back on track.

Logically, the Bank therefore ought to say that another rise in interest rates is needed, and now that it is operationally independent, it would be free to announce such a move this morning if it wanted. Don't hold your breath though: the signs are that the Bank will wait and see what the Budget brings.

Defence stocks took one look at Robin Cook's Mission Statement and his pledge to put human rights at the heart of British foreign policy and yawned. But is this the right reaction?

The new Foreign Secretary intends to push for international regulation of the arms trade, so that no weapons get into the hands of those intent on "external aggression or internal repression". Since intent is partly in the eye of the beholder that could open up quite a big field of candidates, starting with Indonesia and its orders for British Aerospace Hawk "trainer" aircraft.

This is bold stuff given that Britain is one of the world's four biggest arms exporters, sports a defence industry with a powerful and well-oiled lobbying machine and a factory in most marginal constituencies.

The downside is that Mr Cook, for now at least, may be a lone voice in his ethical crusade. The argument against taking a unilateral stance on arms sales has always been the one that runs "If we don't sell them the stuff then someone else will." Mr Cook has an answer to this too. He proposes a European code of conduct so that once one member state refuses an export licence on ethical grounds another cannot sneak into its place. Bad news for the French.

As things stand, however, Mr Cook's pledges largely amount to fine words and little more. They may need to be brought into sharper focus by a little practical application. Saudi Arabia does not possess the world's most glittering human rights record and it also happens to be Britain's biggest arms customer. But is Mr Cook brave enough to tinker with the £20bn Al Yamamah deal?

SIB wants guarantees for pension victims

Nic Cicutti
Personal Finance Editor

The Securities and Investments Board, the City's senior watchdog, is poised to embrace a new scheme aimed at "guaranteeing" redress to victims of the pensions mis-selling scandal. SIB's move comes as another regulator's confidential report, seen by *The Independent*, shows insurers are still failing to compensate those worst affected.

The leaked document from the Personal Investment Authority, the companies' front-line regulator, shows some of the UK's biggest insurers, including TSB Life, Royal Life, Pearl, Sun Alliance, Friends Provident, London & Manchester and Britannic, have yet to settle as little as 10 per cent of their most urgent cases.

The leaked report will be a further blow to the PIA, which staked its credibility on resolving the problem after a report last year revealed almost no compensation had been paid at that time.

Helen Liddell, Treasury Minister, has indicated her willingness to by-pass regulators by summoning the worst-offending insurance firms to a meeting tomorrow. Company chiefs will be told by Mrs Liddell that unless they speed up the review process they may face tough sanctions, including fines, over their failure to comply.

The latest PIA document includes sets of tables, revealing progress to date. One of the tables, dated 3 April, is believed to show the picture in the months prior to that date. Newer figures indicate that some companies, most notably Equitable Life, Norwich Union and Royal London, have made some progress.

It is believed that the inability of most firms to proceed with the review at speed will lead Sir Andrew Large, outgoing chairman at SIB, to publicly back later today redress "guarantees" as a view of resolving the matter.

The "guarantee" system, championed by Legal & General, would promise those who were mis-sold a pension that the insurer would match every benefit they would otherwise have been entitled to even if they

Slow progress in righting the pension wrongs				
Leading participants update - 3 April 1997				
Name	Priority cases	Assessments completed	Redress offered	% of total priority cases completed up to March 97
Prudential	50719	732	711	n/a
Co-operative Insurance	38201	2409	182	14.1
Pearl Assurance	36919	2427	1301	8.7
TSB Life	25873	46	22	5.5
Legal & General	20720	1696	1081	n/a
Guardian Pensions Mgmt	7251	387	222	n/a
Sun Life of Canada	15378	576	576	n/a
Allied Dunbar	11962	2176	98	19.3
Abbey Life	13345	426	19	24.0
Britannic Assurance	13365	21	9	2.7
Barclays Life	12880	2015	1286	28.4
Lincoln Assurance	10600	314	112	n/a
NetWest	9409	558	249	26.6
Equitable Life	10289	3622	100	69.3
Royal London	9358	957	179	63.1
Gan Life & Pensions	6898	199	40	n/a
Sun Alliance	8033	368	219	9.1
Hodge Robinson	8552	1	1	n/a
Windsor Life	7869	89	89	1.3
Sedgwick Noble Lowndes	7272	40	14	n/a
Lloyds Bank	4757	433	192	32.8
London & Manchester	6157	36	29	1.4
United Friendly	6330	299	4	12.0
Norwich Union	5263	267	125	40.2
Royal Life	4919	884	48	7.6
Colonial Mutual	5291	22	21	n/a
Commercial Union	4811	512	299	n/a

could not rejoin their old scheme.

PIA executives have rejected this option, claiming it is unworkable. However, SIB has never hidden its sympathy for the proposal, which Sir Andrew hopes will break the compensation log-jam. It is thought among the first to offer this system to its policyholders could be Prudential.

The extent of the shambles involved in the compensation process is outlined in the PIA document, which details the experience of one company, Britannic, in the review process. Britannic, a Birmingham-based company which employs 2,300 sales staff, was visited by a PIA monitoring team in January. The team found that letters from Britannic policy-

holders were not being acknowledged, reminders to take part in the review were not being sent out and people were being excluded from the review for no proper reason.

Brian Shaw, chief executive at Britannic, said: "We have increased our commitment in the past months and are in line with other providers in terms of what we have achieved to date."

Co-op settles for £750,000 payment

John Willcock

The Co-operative Wholesale Society (CWS) has accepted a settlement of £750,000 in return for dropping its civil action against Andrew Regan, Lancia Trust, Galileo Group, Allan Green and David Lyons over their aborted bid for CWS.

The CWS launched a civil claim for damages on 18 April over the disclosure of confidential CWS documents, passed by Mr Green to Mr Regan. Both the CWS and the Regan camp refused to comment on the amount of yesterday's full and final settlement, but it is understood to be around £750,000. Lancia did not contribute to the payment.

The CWS's criminal prosecution against Mr Regan and Mr Lyons over the alleged theft of seven boxes of CWS documents will still go ahead, the company said yesterday.

Mr Regan and Mr Lyons said that they "intend to defend these proceedings vigorously". Lancia, Mr Regan's company, said it would shortly announce the date on which its audited results for 1996 would be published and that its listing would be restored at the same time.

The settlement is the latest chapter in the humiliating climbdown by Mr Regan, 31, and his followers after their failed £1.2bn hostile break-up bid for the Co-op.

The bid fell apart last month when a High Court judge described the transfer of CWS documents from Mr Green, a CWS director, to Mr Regan as a "gross, wilful and disgraceful breach of confidence". Mr Green was subsequently sacked.

Mr Regan formed Galileo in December 1996 to use as a bid vehicle. His plan was to appeal over the heads of the board, who were opposed to him, directly to the Co-op's membership. Lancia invested £602,000 in Galileo. When the bid failed Galileo was put into voluntary liquidation by Mr Regan.

The liquidator of Galileo is considering bringing claims against some of Mr Regan's former advisers to recover substantial damages. Lancia, as one of the shareholders in Galileo, may benefit if Galileo is successful in these claims, Lancia said yesterday.

IN BRIEF

GMB negotiates more 'partnership' deals

John Edmonds, general secretary of the GMB union, yesterday disclosed that a further six "partnership" agreements were under negotiation between employers and unions after Blue Circle Cement announced a ground-breaking pay and productivity deal with its 2,000 employees. Under the agreement, the workforce gets job security and pay increases equal to inflation plus 0.25 per cent for each of the next three years. In return, the company will save £10m a year by cutting up to 360 jobs under a voluntary redundancy programme and introducing flexible working arrangements. BCC has also undertaken to work towards a 37-hour week by 2001 and is seeking to roll the pay deal on beyond three years. Mr Edmonds described the deal as a "blueprint for social partnership under a Labour government" and said GMB intended to strike similar deals across the country.

News Corp sued by satellite partner

Rupert Murdoch's News Corporation is facing a massive lawsuit in the US filed against it by EchoStar Communications of Denver following the collapse of a deal signed by the two companies in February for a joint satellite broadcasting venture. The court action, which could lead to a damages claim of up to \$5bn (£3bn), appears to drop the curtain on an agreement under which News Corp was meant to invest \$1bn in EchoStar in cash and assets for a 50 per cent share in the new enterprise. It had been championed by Mr Murdoch as the ideal platform for launching a 500-channel "50k" satellite service in the US. In seeking the damages, EchoStar is citing lost profits and material breaches by News Corp of the parties' original agreement.

Inflation rates fall in EU countries

Average inflation in the EU fell to 1.7 per cent in March from 2 per cent in February and 2.6 per cent in March 1996, the statistical office Eurostat said yesterday. The figure was based on the new harmonised indices of consumer prices (HICP), developed for consistent comparisons between countries. On this basis, Finland (0.8 per cent), Sweden (1.0 per cent) and France (1.1 per cent) had the lowest inflation rates in March. Greece had the highest at 5.9 per cent, while the UK's HICP inflation rate was 1.8 per cent.

Ethical Holdings flotation to raise £20m

Ethical Holdings, the pharmaceuticals company which develops hormone replacement therapy patches, will raise £20m when it floats on the stock market via a placing in the next two months, valuing the group at around £55m. The Cambridge-based company, which specialises in making improved versions of medical products, already has a listing on the US's Nasdaq exchange where it is valued at around £75m. Formed 12 years ago, Ethical made losses of £3.8m last year on sales of £14m. The company plans to become a "more integrated" drugs group and associated research costs mean losses will continue for at least three more years.

Switzerland approves Skyepharma drug

Skyepharma, the fledgling pharmaceuticals group launched last year by Ian Gowrie-Smith, the entrepreneur who founded Medeva, has had its first drug approved. The group's shares rose 5p to 80p. Skyepharma, which specialises in the fast-growing field of drug delivery, confirmed it had won approval in Switzerland for Madopar, an improved version of a drug for Parkinson's disease developed by Swiss giant Roche. Skyepharma will manufacture the drug for Roche and get royalties on sales. Worldwide sales of the old drug are £88m.

Rugby buys Covent Garden block for £8m

Rugby Estates has acquired a large estate in Covent Garden, London, for £8.4m. The estate comprises a 40,000-sq ft freehold mixed-use block of property at the junction of The Strand and Bedford Street. Rugby said the purchase was its largest single acquisition. The estate, situated at the southern entrance to the Covent Garden area, has a combined frontage to The Strand and Bedford Street of 300 feet. This block comprises restaurant and retail units on the ground floor with office and residential accommodation above. The purchase price produces an initial rental yield of 8 per cent per annum.

Inflationary pressure low, says Bank

Diane Coyle
Economics Editor

On the eve of the first Inflation Report to be published by the Bank of England since it gained its independence, new figures yesterday suggested that there were few inflationary pressures in industry. Price competition also remained keen on the high street despite a pick-up in retail sales last month.

Eddie George, Governor of the Bank of England, said yesterday that inflation would decline in the coming months. There was a better-than-even chance of meeting the 2.5 per cent inflation target this year, thanks partly to the strong pound, he said.

Fears of a further increase in interest rates in the near future retreated yesterday. However, today's report is likely to indicate that the Bank remains alert to the possibility of the need to raise rates later this year to head off future increases in inflation.

Its last report, in February, showed underlying inflation at 3 per cent and climbing next year. Against the quarter-point rise in base rates since then, many indicators have signalled faster growth in the economy.

But any further base rate moves would occur after the Budget, and after the appointment of outside members to the Bank's new monetary policy committee. Analysts will be on the lookout

for a further rise in the rate at which earnings are increasing, especially in the booming service industries, in figures for unemployment and pay due tomorrow.

Yesterday's statistics showed that inflation at the factory gate dropped below 1 per cent last month, while manufacturers' raw materials costs declined by more than 10 per cent in the 12 months to April.

Prices charged by manufacturers rose by 0.2 per cent in the month, to reach a level 0.8 per cent higher than a year earlier. Excluding the effect of increases in excise duties, output prices have barely risen year on year.

Input prices fell 1.9 per cent in April, taking them 10.2 per

cent lower than a year earlier. The decline reflects a combination of the strong pound, falling oil prices and weak commodity prices.

The weak price pressures in manufacturing contrast with rising costs in service industries. "Manufacturing will have to deliver price stability in order for us to achieve low inflation for the economy as a whole," said Geoffrey Dicks, chief UK economist at NatWest Markets.

Separately, the British Retail Consortium said the volume of sales on the high street picked up in April.

The annual growth of like-for-like sales rose from 3.7 to 4.1 per cent, and total volumes from 7.1 to 7.4 per cent.

But Andrew Higginson,

chairman of the BRC's economic affairs committee, said price competition was keen. "We haven't seen any sign of inflation coming through in the shops," he said.

He said the need for further interest rate increases would hinge on consumers' willingness to spend their windfall gains from free building society shares.

Food, furniture, DIY and mail order saw the strongest sales growth last month, according to the survey.

The pound gained more than 2 pennies to end above DM2.76 yesterday after the Chancellor, Gordon Brown, speaking in Brussels, ruled out the pound's re-entry to the exchange rate mechanism.

ASSURED

...BECAUSE DIRECT DEBIT MEANS BILLS ARE AUTOMATICALLY PAID ON TIME AND IN THE UNLIKELY EVENT OF AN ERROR YOUR BANK GUARANTEES TO REFUND YOUR MONEY IMMEDIATELY.

UK BANKS AND BUILDING SOCIETIES

DIRECT Debit

DD YOUR DOUGH

Argos plunges on new warning

Magnus Grimond

Argos, the once high-flying catalogue retailer, saw its shares plunge 24.5p to 623p yesterday after issuing its second profit warning of the year. The group said one-off costs and higher interest charges of around £3m resulting from the £127m special dividend paid last year would mean that profits would fall in the first half of the current year.

However, it also warned that it was seeing sluggish or even negative growth in a number of markets. In January, the group saw its shares crash 110p,

also to 623p, after it revealed that sales had grown by a disappointing 4 per cent, like-for-like, in the month before Christmas Eve, its top selling season.

Yesterday, it said that like-for-like sales had accelerated to 5.5 per cent in the first 18 weeks of 1997, a rise of 12 per cent in unadjusted terms.

Analysts had been braced for further difficulties after Argos said in March that higher paper prices and distribution costs would make it difficult to improve on last year's record £31.8m interim profits. Even so, many full-year forecasts were

trimmed yesterday. Sean Eddie at NatWest Markets clipped his by £7m to £153m, some £12m above 1996 profits, and voiced concerns about a possible slowdown in the group's growth rate.

It was disappointing to see prices being "sharpened" at a time of depressed volumes while, more importantly, the group was also adding to overheads, he said. "They have geared themselves into needing more sales at the same time as sales are proving more elusive."

However, Nick Hawkins, an Argos follower at Merrill Lynch, suggested the problems

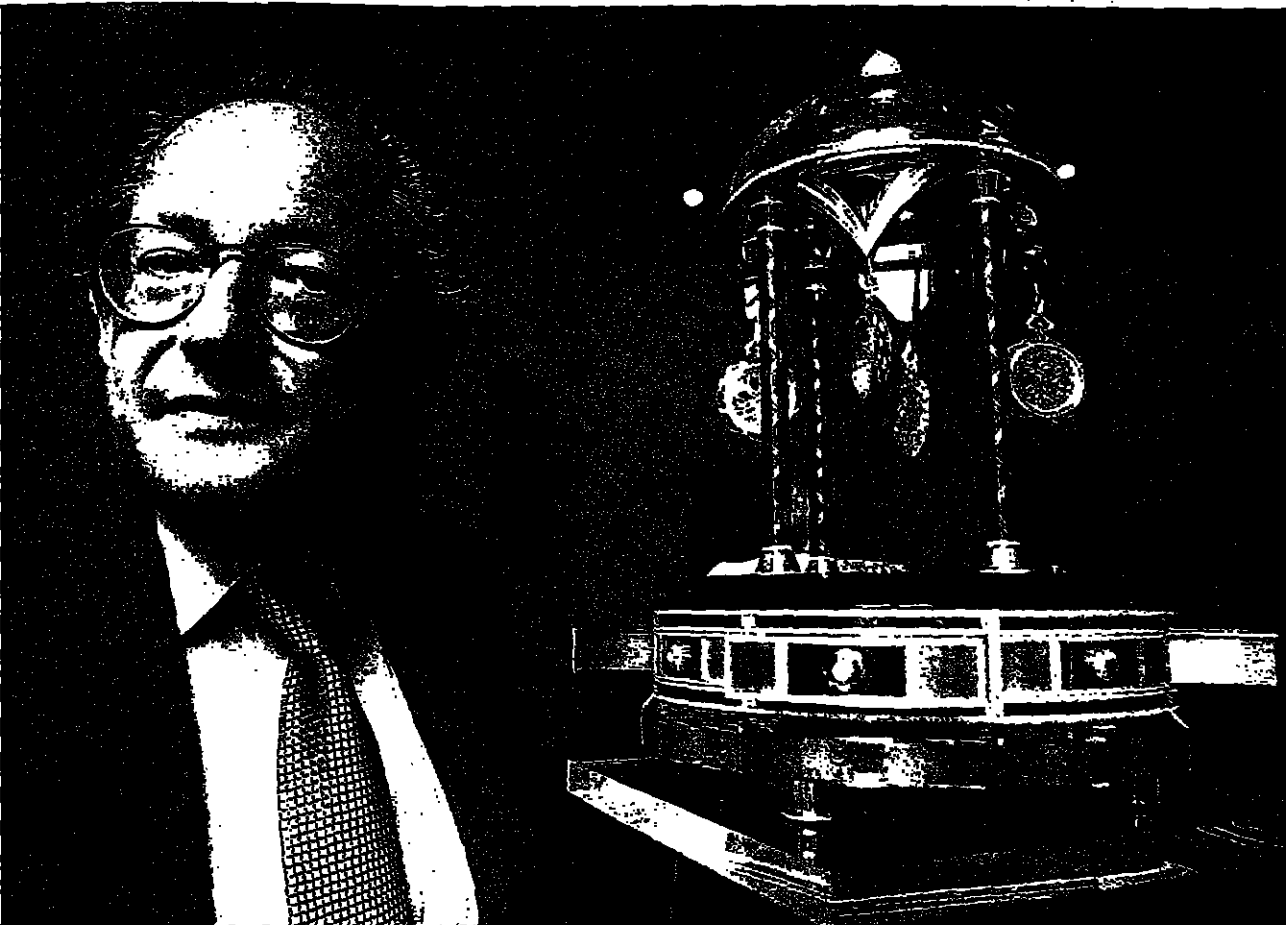
were more general: "The lack of consistency and predictability in sales at the moment is of some concern. If things are not nice and stable and solid at this stage in the cycle, there could be more worries ahead." But he added: "Nobody is pointing the finger at Argos. It's all about the consumer."

The Argos warning came at the retail group's annual general meeting yesterday. Sir Richard Lloyd, chairman, told shareholders that, despite the depressed state of some of its markets, it continued to believe it was growing its market shares. As usual, the final outcome for

the year would be much more heavily dependent on the final quarter than on the first half. "Your board is expecting a stronger second-half performance compared with 1996 and believes the group is well positioned to demonstrate continued growth in 1997 as a whole."

He said the group was continuing with its strategy to boost sales, fundamental to which was "setting the high street agenda". Of product lines reappearing in this year's catalogue, 94 per cent are included at the same or a cheaper price, which had resulted in a 2 per cent reduction in average selling prices.

Time is a Carousel: Four pocket watches, 3,000 gem stones and a price of £4m



An embarrassment of riches: Marcus Margulies (pictured left), chairman of watch retailer Time, looks at the Carousel of Time, a collection of four Swiss pocket watches costing no less than £4m.

The collection houses almost 3,000 gem stones, including 1,645 diamonds, 448 emeralds and same number of rubies and sapphires.

The carousel alone is fashioned with more than 3kg of engraved white gold.

Manufactured by Blancpain, the long-established watchmaker, the aim is to combine advanced movement components with extravagant craftsmanship.

Sadly the watches have one other drawback apart from the price: they all need to be wound by hand. Time Products will reveal its annual financial results today.

Photograph: Ben Schott

IMI gives warning on strong pound

Sameena Ahmad

IMI, the engineering group, yesterday added its name to the lengthening list of UK companies to warn about the impact of the strong pound on its profits.

At its annual general meeting, Sir Eric Pountain, chairman, conceded that the strength of sterling, particularly against the German mark, could lop £15m off full-year profits – £5m more than the group forecast at its full-year results in March. However he added that despite sterling, "we expect that the first half will be up on 1996."

IMI is heavily exposed to the German market through its building products interests, with around 45 per cent of group sales sold into Continental Europe. However analysts were untroubled by the news and IMI's shares slipped just 3p to 358p.

James Capel's Patrick Marshall said: "They already told us the bad stuff on sterling, so this is not big news. IMI has always been quite prudent. In all likelihood they will do better on profits than this statement suggests."

Zafar Khan, an analyst at SGST, pointed out that there had been some easing of currency pressures in the last few days. "I am not changing my £153m profit forecast for the full year yet. But with some numbers as high as £160m, I think there will be downgrades in the market."

IMI's finance director, Alan Emson, shrugged off suggestions that its statement was a profits warning. "We are simply giving our best estimate of how currency changes will affect us." He denied that the group's acquisition of German-based radiator valve group Heimer had left it over-exposed to the weak mark and European construction sector.

Digital TV bid may go to court

Cathy Newman

The battle to run digital terrestrial television could end up in the High Court, it emerged yesterday, after British Digital Broadcasting (BDB), the bidder which includes Carlton, Granada and BSkyB, launched a bitter assault on its rival, Digital Television Network (DTN).

BDB sources said the inclusion of United News & Media, Lord Hollick's newspapers to the DTN bid threatened to contravene In-

dependent Television Commission rules governing changes to applications after the final deadline of 31 January. United revealed last week that it would take a 30 per cent stake in DTN if it won the digital terrestrial licence, due to be announced by the ITC next month.

A source within BDB said: "The rules are clear: you can't submit extra information after the closure of the bid, particularly when you've had time to study the other's bid."

It is thought BDB could seek

a judicial review of the ITC's decision. Because United joined provisionally in the DTN consortium after the deadline it is understood to have submitted changes to its application to the ITC. They cover the United directors who would join the operation and United's shareholding.

Further disclosures are thought to include information on the political affiliations of Lord Hollick, United's chief executive and Labour peer. Lord Hollick has become a special ad-

visor to Margaret Beckett, the President of the Board of Trade.

A spokesman for United News & Media said he was confident the amendments did not breach the ITC's rules in any way which could be deemed by the ITC to be unfair. "We had to supply them with an amended version of parts of the submission, concerning what it would look like if DTN were successful in getting a licence."

However, he admitted the changes were sensitive.

Portman to take over smaller society

Nic Cicutti

Portman, one of the most vehemently pro-mutual building societies, is to take over Greenwich Building Society later this year, the two organisations announced yesterday.

The takeover, officially called a merger, will lead to payments of 5 per cent gross on the balances of savers, up to a maximum of £2,500. Borrowers will receive a £200 bonus if Greenwich members approve the deal in June.

Ken Culley, chief executive at Portman, said: "The merger will be beneficial to members of

both societies and will add further strength to Portman, already recognised as a leading society in the South of England."

The deal would add Greenwich's seven branches to the 109 already operated by Portman, which has assets of more than £4bn and is now the UK's 10th largest society.

Greenwich's head office will be used to provide a postal and telephone service to members of both societies.

One City analyst said last night: "This prefigures some of the defensive retrenchments we are likely to see among mutual societies in the next few years."

Bid talk lifts shares in Canadian Pizza

Shares in Canadian Pizza, the

pizza and pizza-crust maker, yesterday leapt from 89.5p to 100p after it announced it had received a tentative approach.

The company, floated in 1993, issued a statement about "possible offers being made."

"The board confirms that its tentative approach has been made, which may or may not lead to an offer for the entire issued share capital."

Neither Peter Woodall, managing director, nor Barry O'Connell, chairman, would elaborate further.

Canadian Pizza – which is to change its name to Paramount

Foods before 1 July – has issued three profits warnings since 1993. But in March the company began to change its fortunes, with the announcement of a 51 per cent rise in annual pre-tax profits to £2.1m.

As recently as last Friday, at its annual meeting, Canadian claimed it intended to grow through acquisition and "through the development of the opportunities that exist within the current businesses."

Last March it bought Meridian Foods, the cooking sauces and low-sugar jam specialist, for £1.13m as part of its diversification strategy.

THE INVESTMENT COLUMN

EDITED BY MAGNUS GRIMOND

SGB scaffolding looks to Far East for profits growth

Past problems continue to haunt John Mowlem, the construction group, despite its remarkable turnaround under new management over the past 18 months or so.

The decision to float SGB, the scaffolding business which forms Mowlem's most profitable

division, says more about the millstone of a £50m Eurobond at an 11.5 per cent interest rate than any grand strategic plan. But the group is doing its best to have its cake and eat it: the float should save Mowlem £1.7m a year in interest costs, while its decision to retain 51 per cent of SGB will allow it to continue to consolidate the scaffolding group's profits.

That represents a powerful vote of confidence in SGB from its former owner, which must assume another year of profits growth ahead. New investors may, however, choose a more cautious approach.

Certainly SGB looks a decent enough business on the face of it. Half its £135m UK sales come from the SGB Youngman hire-and-sale operation, which claims market leadership in non-powered building equipment such as scaffolding and access towers.

Another 30 per cent of SGB's domestic turnover is derived from contracting, of which around a quarter is specialist scaffolding for oil refineries, chemical plants and the like. Here the hope is that, given the high barriers to entry, this will provide better and more sustainable margins than the water-thin fare usually provided by traditional contracting.

SGB also has new management, most of whom appear to have been parachuted in from Laporte by Ken Minton, the chemicals group's former chief executive who chairs Mowlem and its scaffolding subsidiary. The team is already busy on a £3.7m rationalisation programme for the manufacturing division, which will involve around 200 jobs being cut for an annual saving of around £2m by 1998.

However, despite its international spread, SGB remains highly dependent on large and lumpy contracts. A large chunk of the profits growth over the past two years has come from work for the new Hong Kong airport, which came to an end this year. Robert Stokell, the chief ex-

ecutive who arrived from Laporte in October, is confident the baton can be picked up by other Far Eastern business, but he still has to prove that large parts of SGB's UK operation are more than just in commodity businesses.

He should be given a fair wind in his quest by the housewinding revival, even if an upturn for general construction might help the scaffolding industry more. Assuming pre-tax profits come in at around £15m this year, brokers are tentatively looking at a forward multiple of 14 on the £130m-odd launch value. That is no bargain, but the issue should go well in the current market.

British Bio hit by no-news-is-it

Never mind cancer, British Biotech needs to find a cure for no-news-is-it. Shares in the UK's largest biotechnology group have underperformed the market by 25 per cent since hitting a 326p high 12 months ago. Small wonder the group has resorted to dressing up old news as new.

Yesterday it used the pretext of a presentation given to a US conference on digestion to announce that final-stage clinical trials on its most advanced drug, Zacetex, the acute pancreatitis treatment formerly known as Lixipant, resulted in fewer patients dying and less

organ failure. But the story had already been well-rehearsed and British Bio's shares fell 4.5p to 243.5p yesterday.

Many observers reckon Zacetex will be a small drug in sales terms: some project peak world-wide sales as low as £50m against estimates as high as £600m. If borne out, the lower figures would be immaterial in terms of British Biotech's share price.

Even so, Zacetex remains important. Given the encouraging clinical data on the treatment, the group could be the first UK biotech to get a new drug on the market, something that would undoubtedly help sentiment. True, Celltech is racing to get its sepsis drug to market first, but this has yet to be filed for approval, whereas Zacetex has already been submitted to the European authorities.

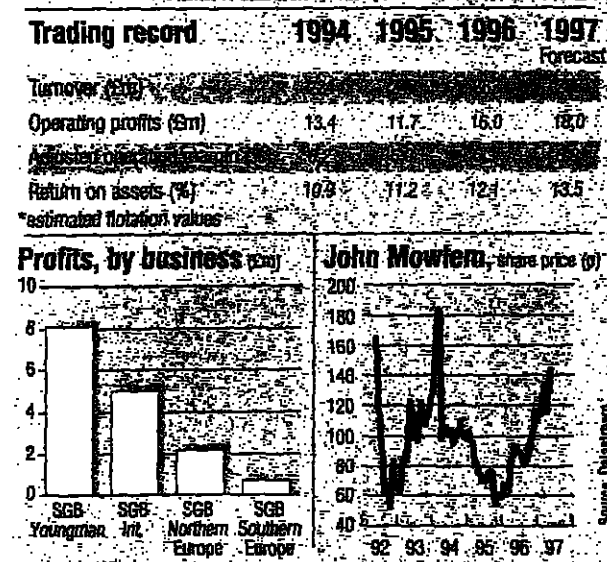
With no other treatments for pancreatitis around, the drug could be fast-tracked for approval by the year-end.

More importantly, approval of Zacetex will allow the group to break in its freshly installed and untied sales and marketing teams in Europe on a minor drug before the launch of the biggie – its cancer medicine, Marimastat.

That could eventually be worth \$1bn and analysts reckon 75 per cent of British Bio's valuation rests on this product alone. Though British Bio has much to prove, a positive launch for Zacetex should be just the tonic it needs.

SGB: at a glance

Market value: £130m; share price: 77.5p



Sparkling year for Old English Pub

It is not just the giants of the drinks industry which are consolidating to combat the effects of a mature market. Right at the other end of the scale, the Old English Pub Company has been showing for the past few years how to attack the well-lined pockets of middle-class drinkers in the prosperous south of England by scooping up small country pubs and inns.

Since its flotation at 50p on the Alternative Investment Market nearly two years ago, the company, headed by former Grand Metropolitan executive Barry Warwick, has raised close to £19m and taken the chain from under 30 to 89 outlets.

All the while, the shares, recently promoted to the main market, have risen pretty much in a straight line, adding another 10p to a new all-time high of 266.5p yesterday on another cracking set of results.

Pre-tax profits more than tripled, rising from £494,000 to £1.63m, in the year to March. Earnings per share leapt from 2.86p to 7.77p.

With a group expanding this fast, it is often difficult to disentangle the underlying picture. In fact, the stated 11 per cent rise in sales translated into a more pedestrian 5 per cent on a like-for-like basis.

More important though was the effect on margins, which have climbed from 13.1 to 17 per cent at the operating level.

The formula continues to work, but the cost remains high. Gearing was 140 per cent at the year end and is only set to fall to 68 per cent by 2000, with another 18 houses in a sweep from Hampshire to Surrey to be added this year.

Even if profits hit £3.5m in 1997, the shares on a forward multiple of 21 fully discount the prospects. Hold.

Company Results

	Turnover £	Pre-tax £	EPS	Dividend
API Group (t)	70.0m (50.15m)	6.08m (4.22m)	15.59p (13.59p)	4.80p (4.48p)
BGC (t)	1827.66m (205.7m)	151.59m (28.48m)	33.1p (25.36p)	8.0p (6.5p)
Diploma (t)	125.5m (113.9m)	10.8m (11.0m)	12.3p (12.7p)	4.5p (4.5p)
Edge Properties (SP)*	16.38m (1.1m)	1.068m (1.04m)	2.7p (2.41p)	- (-)
GrandMill (t)	4.312m (4.558m)	438m (449m)	14.3p (14.4p)	6.25p (6.25p)
North Anglia (t)	17.67m (9.95m)	107,000 (226,000)	0.88p (22.34p)	- (-)
Old English Pub (t)	14.73m (7.78m)	1.6m (490,818)	7.77p (2.88p)	2.0p (-)
Shallcross (t)	7.74m (7.2m)	406,000 (392,000)	15.5p (11.5p)	1.05p (-)
(t) - Total (t) - Interim (t) - Nine months				

*Current type 14 months, comparatives 12 months

Citibank PC Banking.

Free Software. Free Service. Free Setup.

Free demo - 0800 00 88 00.

Call us anytime or visit our website <http://www.citibank.co.uk>

With Citibank's PC Banking you can review, manage and record your finances 365 days a year.

Ref No: 11ND401 Account opening subject to status. Citibank International plc. Registered office: 356 Strand, London WC2R 1HB. © Registered mark of Citibank, N.A. Ultimately owned by Citicorp, New York, USA.

CITIBANK
THE CITI NEVER SLEEPS.

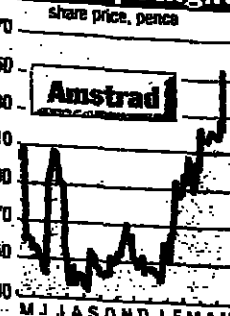
صكنا من الامل

market report / shares

Data Bank

FTSE 100
4669.6 + 38.7
FTSE 250
4526.4 + 0.2
FTSE 350
2262.6 + 15.1
SEAQ VOLUME
763.1m shares,
63,355 bargains
Gilt Index
96.57 - 0.53

Share spotlight



Punters go talent-spotting after giant drinks alliance

Taking Stock

With the mammoth Grand Metropolitan/Guinness drinks alliance resurfacing the magical appeal of corporate activity, the stock market spent a happy session striving to find the next blue chip player in the takeover game.

A rush of talent-spotting and another pulsating display in New York display sent Footsie stretching to another high, up 38.7 points to 4,669.6.

GrandMet and Guinness were in unshaken celebratory mood, helped by the proposed 60p-a-share cash distribution. Guinness led the ferment with an 86p gain to 602.5p, best for five years; GrandMet soared to an all-time high of 591p.

EMI, Pearson and Cadbury Schweppes were the Footsie constituents singled out for speculative attention. They were perceived as candidates for large groups seeking to reinforce their global presence. The showbiz group is seen as

ideal for Seagram, the giant Canadian drinks group that seems to have surrendered its thirst for wine and spirit growth to accommodate its media aspirations.

The shares, despite a downbeat review from Salomon Brothers, the US investment house, spun 68p higher to 1,289.5p.

The security group's highly rated analyst, Ivor Jones, Richard Dale and David Foster, regard the shares as no more than a hold, suggesting a price between 1,250p and 1,300p on trading considerations. They do not think an EMI bid likely but "the possibility of a bid should not be ignored".

Pearson, the banking to media group, has long been seen as a possible bid target. A host of would-be predators have been put forward, ranging from assorted US corporations to the Granada leisure



MARKET REPORT

DEREK PAIN

stock market reporter of the year

group. The shares responded with a 33p gain to 749.5p.

Cadbury Schweppes, up 23p to 552p, is another that has often encountered takeover speculation. The soft drinks and sweets group, which is finding the going tough in the bitterly contested US drinks market, is felt to be vulnerable to the attentions of Nestlé or Unilever.

Allied Domecq, due to produce another round of flat figures today, was also drawn into the spirits distillation.

Seagram and Allied will be the only significant spirit groups outside the GrandMet/Guinness combine.

So Allied's take-out appeal

could be strengthened and there are also hopes that the merged group will be more inclined to hold prices, rather than give way to price-cutting. On the other hand GMG Brands has only to flex its muscles to make life even more difficult for such a sad underperformer.

The market was inclined to give Allied the benefit of the doubt, lifting the shares from a depressed 428.5p to 446.5p.

Footsie had spent most of the morning session in a subdued mood. It picked up at lunchtime, ending at the day's high. The rest of the market, however, missed the party.

The FTSE 250 index could

manage only a 0.2 gain to 4,526.4 with few investors able to muster much enthusiasm.

Financials had a period in the shadows. Even so, some kept up their remorseless progress with Abbey National and National Westminster Bank among those moving ahead. But Alliance & Leicester stumbled, falling 12.5p to 613.5p.

San Life & Provincial put on 18.5p to 321.5p on the premise the insurer group had, to some extent, been overlooked in the recent upsurge.

The Savoy Hotel attracted attention on stories a deal was near with Granada, which inherited a majority but not controlling stake when it took over Forte last year.

Suggestions the Wontner family, which has a large shareholding in the high-powered 'B' shares, may be prepared to resolve the present stalemate lifted the widely held, but low-

voting, 'A' shares 35p to 1,460p. The rarely traded 'B' shares held at £34.

Amstrad, the electronic company founded by Alan Sugar, jumped 32p to 253.5p after its court success against Seagate Technology of California. The group could soon have more than £230m in cash and the market hopes Mr. Sugar, who once attempted to take the business private, will pay a special dividend.

Sunderland suffered the predictable result from relegation, falling 39p to 445p. In March the shares were 760p.

Argos, the catalogue stores chain, lost 24.5p to 623p on its latest profit gloom but Ladbrokes jumped 12p to 254p on an upbeat trading statement and hopes of Hilton Hotel Corporation share-buying.

Canadian Pizza rose 10.5p to 101p on takeover talk but Gieves, the tailors, held at 47.5p as a bidder appeared.

□ The Hillsdown food and furniture group has severed its link with Rugby Estates. It is thought to have sold its remaining near-14 per cent interest, leaving the property group's shares up 4p at 160p. Rugby was once Hillsdown's property arm; it was floated three years ago. The property group also paid £8.4m estate to its Covent Garden estate.

□ More discomfort for Bala Resources, the oil and gas explorer. The shares dipped 0.25p to 2p after its disclosed there had been an over-optimistic report on a well on its Salymskaya field in Russia. The well will "not now be brought into production". The company, however, seems hopeful of corporate activity. Several parties have shown interest in the struggling operation and there is talk new investors may move in.

Share Price Data

Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: ex rights X; ex dividend as at X; United Securities Market's Suspended on Partly Paid pm Nil Paid Shares. * AM Stock Source: FT Information

The Independent Index

The index allows you to access real-time share prices by phone from London Stock Exchange. Simply dial 0800 123 333, and when prompted to do so, enter the 4-digit code printed next to each share. To access the latest financial reports dial 0800 1233 followed by one of the two-digit codes below.

Anyone with a land-line telephone can use the service. For a detailed description of the Independent Index, including its benefits, visit our website at www.independentindex.co.uk. For assistance, call our helpline 071 875 4378 (9.00am - 5.00pm). Calls cost 50p per minute. Call charges include VAT.

FTSE 100 - Real-time 00 Starting Rates 04 Probation Issues 35

UK Stock Market Report 01 Bullion Report 05 Water Shares 36

UK Company News 02 Wall St Report 20 Electricity Shares 40

Foreign Exchange 03 Tokyo Market 21 High Street Banks 41

Life Assurance 22

Media 23

Oil Exploration 24

Oil, Integrated 25

Other Financial 26

Pharmaceuticals 27

Printing & Paper 28

Real Estate 29

Retailers, Food 30

Retailers, General 31

Textiles & Apparel 32

Tobacco 33

Transport 34

Utilities 35

Water 36

Wine & Spirits 37

World 38

Yield 39

Index 40

Support Services 41

Telecommunications 42

Investment Companies 43

Investment Trusts 44

Leisure & Hotels 45

Food Manufacturers 46

Food Distributors 47

Health Care 48

Household Goods 49

Engineering 50

Engineering Vehicles 51

Engineering Materials 52

Chemicals 53

Building Materials 54

Building/Construction 55

Breweries, Pubs & Rest 56

Alcoholic Beverages 57

Banks, Retail 58

Banks, Merchant 59

Distributors 60

Electronics 61

Electricity 62

Diversified Industrials 63

Extractive Industries 64

Engineering Vehicles 65

Engineering Materials 66

Chemicals 67

Building Materials 68

Building/Construction 69

Breweries, Pubs & Rest 70

Alcoholic Beverages 71

Banks, Retail 72

Banks, Merchant 73

Distributors 74

Electronics 75

Electricity 76

Diversified Industrials 77

Extractive Industries 78

Engineering Vehicles 79

Engineering Materials 80

Chemicals 81

Building Materials 82

Building/Construction 83

Breweries, Pubs & Rest 84

Alcoholic Beverages 85

Banks, Retail 86

Banks, Merchant 87

Distributors 88

Electronics 89

Electricity 90

Diversified Industrials 91

Extractive Industries 92

Engineering Vehicles 93

Engineering Materials 94

Chemicals 95

Building Materials 96

Free
banking
night
and day

for 24 hour telephone banking
0800 24 24 24

For full written details of our services write to First Direct, Freeport, Leeds LS96 2NR. First Direct is a division of Midland Bank plc. First Direct reserves the right to decline to open an account for you. Calls may be monitored and/or recorded. Applicants must be 18 or over. Free banking means that there are no charges for cheques and cash machines withdrawals in the UK, standing orders and direct debits. Switch payments or monthly statements.

Member HSBC Group

Investment Companies

Investment Trusts

Leisure & Hotels

Food Manufacturers

Food Distributors

Health Care

Household Goods

Engineering

Engineering Vehicles

Engineering Materials

Chemicals

Building Materials

Building/Construction

Breweries, Pubs & Rest

Alcoholic Beverages

Banks, Retail

Banks, Merchant

Distributors

Electronics

Electricity

Diversified Industrials

Extractive Industries

Engineering Vehicles

Engineering Materials

Chemicals

Building Materials

Building/Construction

Breweries, Pubs & Rest

Alcoholic Beverages

Banks, Retail

Banks, Merchant

Distributors

Electronics

Electricity

Diversified Industrials

Extractive Industries

Engineering Vehicles

Engineering Materials

Chemicals

Building Materials

Building/Construction

Breweries, Pubs & Rest

Alcoholic Beverages

Banks, Retail

Banks, Merchant

Distributors

Electronics

Stick 'em together, pull 'em apart. It's the Velcro age



Hamish McRae

Present corporate restructuring differs from the takeover-driven culture. It is typically an agreed process rather than an antagonistic clash

It is the age of the Velcro company. We had an example yesterday with Guinness/GrandMet, but there are many more. ICI splits into two and the smaller bit, Zeneca, becomes the larger one. Then the smaller bit buys a chunk of Unilever because that seems to fit better in ICI. Hanson spends three decades merging, then little more than three months demerging. And so on.

But why? Why this stick 'em together, pull 'em apart culture? The best place to start is with a paradox. In many ways the world of business is becoming more predictable. Companies face much smaller swings in interest rates, and lower levels of inflation than they have for a generation. They probably will face smaller swings in currencies - insofar as currency movements reflect differential inflation. But if the financial world in which companies operate has become more stable, their own structures have become less stable.

Of course quoted companies, certainly in the Anglo-Saxon world, have long been subject to the threat of a takeover. But present corporate restructuring differs from the takeover-driven culture in several ways. Even high-profile restructuring is typically an agreed process, involving the sale and purchase of company divisions, rather than an antagonistic clash between two managements. Much restructuring involves management buyouts or buy-ins, or the outsourcing of services, rather than actual takeovers.

Restructuring is much more likely to be international - the purchase of a company or a division of a company by an organisation in another country - than it was a generation ago. And - partly a function of this cross-border element - it frequently takes the form of an agreement to co-operate, a strategic relationship, which may or may not be reinforced by a shareholding, rather than an outright takeover.

These differences are themselves the result of a series of changes in the global economy which, taken together, help explain the rise of the Velcro culture. There are at least four.

One (particularly important in the case of Guinness and GrandMet) is the impact the explosion of information has had on the need for global brands. Well, perhaps "need" is the wrong word, for we hardly need the variety of brands that are available in any British supermarket any more than the Chinese actually need Coca-Cola. But in a world of infinite information it certainly becomes possible to sell a brand globally in a way that would have been very much more difficult a generation ago.

Result: great pressure on companies that own national brands to extract more value out of them by turning them into international ones. But while the rewards for so doing are enormous, it is an expensive and complex process, putting pressure on brand-owners to band together.

A second change is the growing importance of human capital in in-

ternational competitiveness. When a company's main assets were physical plant and equipment, the main case for a merger or a takeover was to acquire that plant. Sure, the buyer would be acquiring customers too - distribution and market share - but that was usually just a function of acquiring the product line and the means of producing it. Increasingly now, the main asset being acquired is the brains of the staff; these may be in the form of patents or systems or a royalty stream, but sometimes (as in investment banking) the asset is simply the people themselves.

If the principal asset of a company is human capital it becomes possible to move in and out of businesses much more quickly than it would be if the principal asset is a physical one. An example: German companies have recently bought much of the British motor industry and much of its investment banking industry. But while BMW will clearly take several years to sort out the problems of Rover, Deutsche Bank and Dresdner Bank have made an immediate impact on Morgan Grenfell and Kleinwort Benson.

None of these takeovers has been entirely smooth, and there must be those who wonder whether the investment decision was entirely wise. But if BMW wanted to reverse its strategy and sell Rover, this would be an enormous upheaval. On the other hand, were the banks to decide to pull back, the London investment banks could be separated from their parents and sold in a matter of months.

Not all people businesses will go global, for there are cultural limits. Advertising provides a good example of an industry where global dreams have faded. But many will. Change number three follows from this last point. It is the move into the international traded area of many services that were previously only sold nationally. Typical examples are national network businesses which have become international ones: airlines, telephone services, postal (and courier) services and - just beginning - television. A generation ago international airline routes were often pooled, with the

Dress to suit yourself when you ball with the Lord Mayor

PEOPLE & BUSINESS



Taking the biscuit: Sir William Curtis, an 18th century rebel

Sadly, the Lord Mayor of London, Alderman Roger Cook, is unavailable for comment on the spectacular collapse in dress standards for the Mansion House Dinner in June. He's touring Slovenia.

Last year Kenneth Clarke started the rot at Mansion House when he abandoned the 120-year-old dress code of white tie, a complicated affair of bits and studs, in favour of the black-tie "French waiter" look.

Now his successor, Gordon Brown, has let it be known that he will be wearing a bank manager-style lounge suit.

I am told that Mr Brown always wears exactly the same thing - dark blue suit, blue shirt, red tie with white spots on it and black shoes (no Clarke-style Hush Puppies nonsense).

New Labour insiders speculate that he once bought a job-off of them to save time.

Alderman Cook will be wearing his full bib and tucker, whatever anyone else turns up in. But it could be said that past Lord Mayors could have contributed to this modern malaise.

Back in the 18th century Sir William Curtis MP, known as "Billy Biscuit" because of his Bermondsey naval biscuits factory, was mercilessly lampooned for his absurd get-ups.

A collection of George Cruikshank's cartoons of our Billy, illustrated here in an imaginary costume, goes on show at the Guildhall Library next week.

Back to today. The Treasury is sanguine about the current flight from formality at Mansion House, but the City Corporation is a little more concerned.

A spokesman says: "Will it be T-shirts and flip-flops next year? I'm not sure that we have ever seen anyone in T-shirt and jeans at this occasion. On the other hand we're not in the business of chucking people out."

Everyone's talking about that Dinner. You know the one, on 10 April, when George Bull, chairman of GrandMet, invited his opposite number at Guinness for a spot of dinner. By the time

mulled the idea over, having instructed his underlings to figure out whether the regulators would allow the deal. They thought yes, and the rest is history.

Whether the merger was toasted with malt whisky, Mr Bull wouldn't say.

Granada and Yorkshire-Tyne Tees (YTT) are cosying up again, I hear, following Granada's recent frosty proclamation that it had "no present intention of bidding for YTT".

Granada already holds 27 per cent of YTT, and City punters are panting for a bit of bid action. But Granada recently broke off contact with the TV company as it thought YTT had been trying to "talk up" its bid price.

Then last week both Gerry Robinson, Granada's chairman, and Charles Allan, the company's chief executive, were spotted sitting in the front row of YTT's agm.

Taking valuable time off from their programme of selling off various hotels, messrs Robinson and Allan then shared the Forte corporate jet with Ward Thomas, YTT chairman, as they flew back from Leeds to London after the agm. The pipe of peace was smoked, and merger talks were resumed. Look out for a statement soon.

Evita lyricist Tim Rice and Yorkshire-born interviewer Michael Parkinson had the shine wiped off their weekend last Friday when Pavilion Books, a small publishing company of which they are both non-executive directors, went bust.

Happily the receivers, Keith Goodman and Philip Monjack of Leonard Curtis, managed to sell the business yesterday to another up-and-coming London publishing house, C&B Publishing.

Pavilion produces coffee-table books, mostly with a culinary bent.

John Willcock

Foreign Exchange Rates									
Sterling					Dollar				
Country	Spot	1 month	3 months	6 months	Country	Spot	1 month	3 months	6 months
US	1.5248	9.7	26.32	1000	Canada	0.6642	15.73	33.69	95.4
Germany	2.2826	66.42	15.73	33.69	France	6.5548	16.14	35.38	95.4
Italy	1.3634	25.24	73.76	5.720	Japan	161.74	35.38	95.4	1000
Spain	161.74	35.38	95.4	1000	Belgium	36.36	95.4	1000	1000
Portugal	204.88	40.97	81.94	163.88	Denmark	136.75	27.35	58.15	156.25
Greece	340.75	68.15	136.30	272.60	Netherlands	103.76	20.75	45.55	125.00
Ireland	7.7833	15.57	33.14	85.35	Sweden	10.46	2.09	4.58	10.00
Switzerland	1.4833	37.08	81.94	163.88	Norway	136.75	27.35	58.15	156.25
Australia	1.5248	9.7	26.32	1000	South Africa	6.5548	16.14	35.38	95.4
New Zealand	1.5248	9.7	26.32	1000	India	46.83	9.37	20.83	56.25
Singapore	1.5248	9.7	26.32	1000	Malaysia	3.8063	7.61	16.63	42.50

Interest Rates									
Sterling					Dollar				
Country	Rate	Term	Rate	Term	Country	Rate	Term	Rate	Term
UK	6.25%	Discount	2.50%	Prime	US	5.25%	Discount	2.50%	Prime
France	3.75%	Discount	1.50%	Prime	Germany	4.50%	Discount	1.50%	Prime
Italy	7.50%	Discount	3.00%	Prime	Spain	4.00%	Discount	1.50%	Prime
Japan	5.75%	Discount	2.25%	Prime	Sweden	5.00%	Discount	2.00%	Prime
Belgium	4.00%	Discount	1.50%	Prime	Netherlands	3.50%	Discount	1.25%	Prime
Denmark	4.00%	Discount	1.50%	Prime	Norway	4.00%	Discount	1.50%	Prime
Switzerland	3.00%	Discount	1.00%	Prime	Australia	5.50%	Discount	2.25%	Prime
Canada	5.00%	Discount	2.00%	Prime	New Zealand	5.50%	Discount	2.25%	Prime

Liffe Financial Futures									
Contract	Settlement	High/Low	Open	Close	Contract	Settlement	High/Low	Open	Close
Long Oil	114.97	114.52	114.52	114.52	3 Month Euro	93.25	93.25	93.25	93.25
Short Oil	114.97	114.52	114.52	114.52	3 Month Euro	93.25	93.25	93.25	93.25
3 Month Euro	93.25	93.25	93.25	93.25	3 Month Euro	93.25	93.25	93.25	93.25
3 Month Euro	93.25	93.25	93.25	93.25	3 Month Euro	93.25	93.25	93.25	93.25
3 Month Euro	93.25	93.25	93.25	93.25	3 Month Euro	93.25	93.25	93.25	93.25
3 Month Euro	93.25	93.25	93.25	93.25	3 Month Euro	93.25	93.25	93.25	93.25
3 Month Euro	93.25	93.25	93.25	93.25	3 Month Euro	93.25	93.25	93.25	93.25
3 Month Euro	93.25	93.25	93.25	93.25	3 Month Euro	93.25	93.25	93.25	93.25
3 Month Euro	93.25	93.25	93.25	93.25	3 Month Euro	93.25	93.25	93.25	93.25

Industrial Metals									
Commodity	Settlement	High/Low	Open	Close	Commodity	Settlement	High/Low	Open	Close
Aluminum	1551.5-1552.5	1551.5-1552.5	1551.5	1551.5	Aluminum	1551.5-1552.5	1551.5-1552.5	1551.5	1551.5
Aluminum	1551.5-1552.5	1551.5-1552.5	1551.5	1551.5	Aluminum	1551.5-1552.5	1551.5-1552.5	1551.5	1551.5
Aluminum	1551.5-1552.5	1551.5-1552.5	1551.5	1551.5	Aluminum	1551.5-1552.5	1551.5-1552.5	1551.5	1551.5
Aluminum	1551.5-1552.5	1551.5-1552.5	1551.5	1551.5	Aluminum	1551.5-1552.5	1551.5-1552.5	1551.5	1551.5
Aluminum	1551.5-1552.5	1551.5-1552.5	1551.5	1551.5	Aluminum	1551.5-1552.5	1551.5-1552.5	1551.5	1551.5
Aluminum	1551.5-1552.5	1551.5-1552.5	1551.5	1551.5	Aluminum	1551.5-1552.5	1551.5-1552.5	1551.5	1551.5
Aluminum	1551.5-1552.5	1551.5-1552.5	1551.5	1551.5	Aluminum	1551.5-1552.5	1551.5-1552.5	1551.5	1551.5
Aluminum	1551.5-1552.5	1551.5-1552.5	1551.5	1551.5	Aluminum	1551.5-1552.5	1551.5-1552.5	1551.5	1551.5

Bank	Spot	30 Day	90 Day	Yld	Bank	Spot	30 Day	90 Day	Yld
MIDLAND Peninsular Ltd									
27-41 Bullfinch Row, London WC1R 4JH					Can South Inc	108.00			10.64
Headoffice & Dealing: 0171 351 2344					Canwest Corp Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00			10.64
Peninsular Bank	108.00	107.00	106.00	10.64	Can Cap Dist Inc	108.00	</		

Stock	Ref	Buy	Yld	Stock	Ref	Buy	Yld
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's Ice Melt Inc	24.00		4.25
Cheney's Ice Melt Inc	24.00		4.25	Cheney's			

Liffe FTSE 100 Index Option									
Settlement	High/Low	Open	Close	Settlement	High/Low	Open	Close	Settlement	High/Low
4800	4800	4800	4800	4800	4800	4800	4800	4800	4800
4800	4800	4800	4800	4800	4800	4800	4800	4800	4800
4800	4800	4800	4800	4800	4800	4800	4800	4800	4800
4800	4800	4800	4800	4800	4800	4800	4800	4800	4800
4800	4800	4800	4800	4800	4800	4800	4800	4800	4800
4800	4800	4800	4800	4800	4800	4800	4800	4800	4800
4800	4800	4800	4800	4800	4800	4800	4800	4800	4800
4800	4800	4800	4800	4800	4800	4800	4800	4800	4800
4800	4800	4800	4800	4800	4800	4800	4800	4800	4800

Commodity Indices									
Index	Settlement	High/Low	Open	Close	Index	Settlement	High/Low	Open	Close
1970-100	197.81	197.81	197.81	197.81	1970-100	197.81	197.81	197.81	197.81
1970-100	197.81	197.81	197.81	197.81	1970-100	197.81	197.81	197.81	197.81
1970-100	197.81	197.81	197.81	197.81	1970-100	197.81	197.81	197.81	197.81
1970-100	197.81	197.81	197.81	197.81	1970-100	197.81	197.81	197.81	197.81
1970-100	197.81	197.81	197.81	197.81	1970-100	197.81	197.81	197.81	197.81
1970-100	197.81	197.81	197.81	197.81	1970-100	197.81	197.81	197.81	197.81
1970-100	197.81	197.81	197.81	197.81	1970-100	197.81	197.81	197.81	197.81
1970-100	197.81	197.81	197.81	197.81	1970-100	197.81	197.81	197.81	197.81
1970-100	197.81	197.81	197.81	197.81	1970-100	197.81	197.81	197.81	197.81

FINSTAT - instant PC access to Financial Times Statistical data. For further information, call Leanne Gilliar at FT Information on +44 171-825-8430 or email: leanne.gilliar@ft.com

sport

Newcastle the undisputed kings of the North-east

As if relegation from the Premiership were not enough of a crying shame, the followers of Middlesbrough and Sunderland were yesterday coming to terms with the realisation that neighbouring Newcastle United are in a different league – perhaps twice over.

When the demoted pair go to Greater Manchester, it will be to Gigg Lane and Edgeley Park instead of Old Trafford. The Valley, rather than High-bury, will be their destination in the capital. Meanwhile, Newcastle can spend the summer in eager anticipation of the draw for the European Champions'

League, in which they will participate if they survive August's qualifying round.

The previous campaign ended amid television images of tearful *Times* readers. This time, as the *Making of the Day* credits rolled over shots of distressed Middlesbrough and Sunderland fans at Leeds and Wimbledon respectively, the *Geordie* faithful were again on the Tyne. The runners-up spot was an unexpected reward for the eight-match unbeaten run Kenny Dalglish's side put together following the nadir of Monaco.

To point out the cyclical nature of football's emotional

extremes will be scant consolation on Tyneside or Wearside, although Boro may yet gain the considerable consolation of the FA Cup and entry to the Cup-Winners' Cup.

Win or lose at Wembley, their chairman, Steve Gibson, is threatening High Court action to win back the three points docked by the Premier League for failing to fulfil December's fixture at Blackburn. The motivating force may be embarrassment masquerading as a sense of injustice: it bears repeating that even if Boro had sent out a weakened side at Ewood Park, and lost heavily,

Phil Shaw on the painful reality for two football clubs reduced to a twilight zone

they would have survived the First Division cut.

Legal action, and the ill will it would generate, might prove to be another of Boro's expensive follies. For while they have spent barely half Newcastle's transfer outlay under Kevin Keegan – the undoubted role model for the Riverside revolution – Gibson and Robson have had relatively poor value for their £30m investment.

Of their exotic imports, only Juninho has been an unqualified

success. Gibson, pointing to the lucrative contracts they have signed, is adamant that they will leave only when Boro agree to let them go. However, they might be advised to cut their losses rather than have team spirit further undermined by the idiosyncrasies of Fabrizio Ravanelli or Emerson.

Compared with Gibson's claim about "men in grey suits" sending Boro down, Sunderland's man with grey hair was a model of dignified resignation

on Sunday. But supporters must be wondering why Peter Reid spent less than a third of the £10m transfer kitty reportedly made available by his chairman, Bob Murray.

Trying to stay up on the cheap worked no better for Reid than buying abroad did for Robson. It says everything for Sunderland's madequacies that their joint leading scorers, Craig Russell and Paul Stewart, amassed four goals each. As in their last one-season sojourn in the top flight, 1990-91, they never won back-to-back games.

After averaging gates of 19,000 this season (10,000 less

than Boro), the new 42,000-seat stadium at Wearmouth looks wildly over-sized for such attractions as Oxford and Reading. One journalist, judging many of the manager's recruits to be past their prime, has suggested they call it Jurassic Park. Tonight, when Sunderland bid farewell to Roker Park in a friendly against Liverpool, it will be revealing to see who, if anyone, bears the brunt of the crowd's disappointment.

Ironically, after all their rivals' gloating over Keegan's exit, Newcastle have now confirmed their status as the North-east's premier club and also made a

European breakthrough which even their chairman believed would have to wait. Sir John Hall admits he was ready to "write off" this season as Dalglish took stock of the situation.

Not so long ago, Sir John recalled, Newcastle hoped to be in the European Super League which he believes will come "sooner than people think, with the next TV deal". Now, with "the right manager" in place, they expect to be in it. "While we may not have won anything," he said, adding the words that must have hurt at Middlesbrough and Sunderland, "the future's all ours."

In it for the money and real thrills

The committee-room poopers failed to ruin the party on the paddock in rugby union's inaugural professional season, says Chris Hewett

It was rugby at its most dispiriting: mean-minded, spiteful, unimaginative, unpleasant. Big boys indulging in silly little games, their self-importance inflated to barrage balloon levels. At times, Twickenham seemed like the most grotesquely ostentatious, irksomely grandiose kindergarten in Christendom.

Thankfully, things were a whole lot better on the pitch, where the players – remember them? – did everything in their power to make a success of the first fully professional season in the history of the European game. And successful it was, despite Cliff Brittle, Epruc, the RFU Reform Group and all the other besuited and benighted botes of the crashing variety.

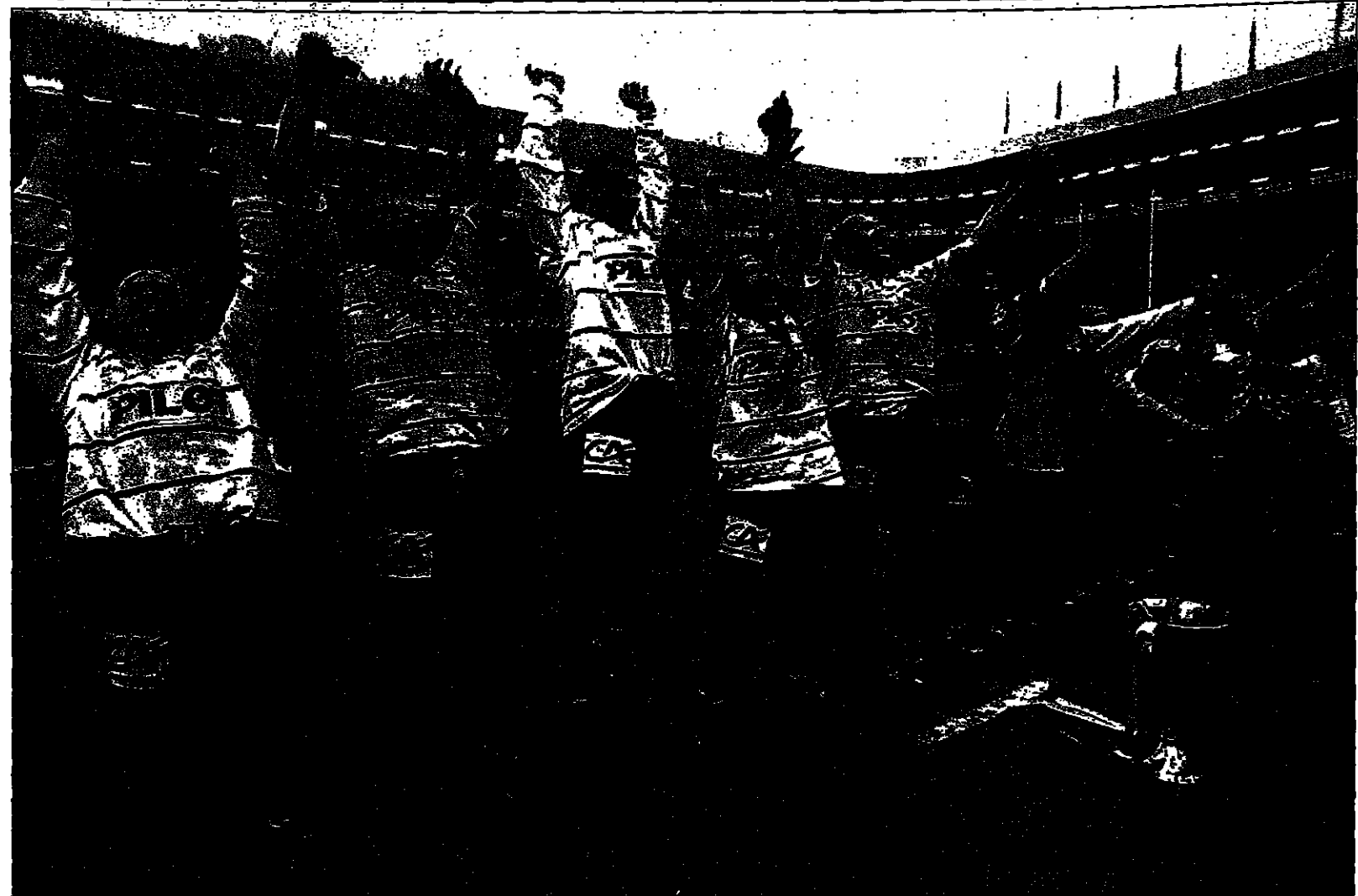
After choking on the fetid air of the committee room, it was with the most profound relief that rugby's rank and file breathed deeply of the fresh air out there on the playing field where, at a conservative estimate, the positives of professionalism outweighed the negatives by a zillion to one.

OK, so the Pilkington Cup final had more whimper than bang about it; sure, it was painful to see O'Reilly, a decent and lovable club, wriggling helplessly on the wrong end of the financial hook; granted, too many gullible team managers found themselves railroaded into shelling out duff money for mediocre players who, by any reasonable yardstick, might have considered themselves lucky to be paid at all. On balance, though, a small price to cough up for the hypnotic experience of Real McCoy rugby at home and abroad. Much of it was stunning.

For all that, we ignore at our peril the hidden costs of a kaleidoscopic campaign. Take a look at Martin Johnson, Eric Miller, Simon Shaw, Rob Howley or any one of a dozen others who fly to South Africa with the Lions on Saturday and you will stare British rugby's most pressing problem square in the eyeballs. These men are exhausted: zonked, clapped out, dead beat. Some of them have played 30-plus front-line matches this season and the insanity of our fixture list is seen in its full perspective when you realise that those players are the fortunate ones. Others have played 40 games, a handful nearer 50.

More than anything, it was the unprecedented level of fatigue that accounted for Leicester's pragmatically tight-fisted Cup final performance at Twickenham at the weekend, a morale-deadening sight that brought a legion of anti-Tiger diehards out of the woodwork, their nostrils flaring with the scent of a told-you-so kill. Yet Bob Dwyer's assertion that his Midlandsers could hold their heads high as English rugby's outstanding side was perfectly legitimate, for while Bath, Harlequins and Wasps, popular and hard-working league champions, enjoyed purple patches at different stages of the season, none approached the heights scaled by Leicester either side of Christmas.

There was nothing coincidental about the fact that Leicester went two rounds further than any other English side in the Heineken Cup, a competition so rich in passion and adventure that the Five Nations' Championship appeared flat and unappetising by comparison. So



Jole de Brive: The richly talented Heineken Cup winners celebrate their ascendancy as the best club side in Europe

Photograph: Allsport

strong and capable were the Tigers as the tournament soared to its climax that only a force of nature could conceivably have denied them a first European title. When the force arrived, it wore the colours of Brive.

Here was something entirely unexpected: a side from the French heartlands, equipped with the full quota of skills and techniques associated with *Tricolore* tradition, yet capable of displaying both a serene calm and an iron discipline in the most pressured of circumstances. When Alain Penaud, David Venditt, Philippe Carbonneau and, most magnificently, Christophe Lamaison were given the opportunity to continue their fraternal musketeership in the French national side, the result was a Grand Slam.

The Heineken Cup threw up another quality outfit in the shape of Wasps, although the impact of their emergence was deflected by early reverses against Cardiff and Munster. Effective-

ly out of the competition, they regrouped around their captain, Lawrence Dallaglio, and put 70 points on a full-strength Toulouse side who, until then, had been everyone's title favourites. Few, if any, appreciated the full implications of that slaughter at the time but in hindsight, it amounted to an irrefutable declaration of the Londoners' league title credentials.

If the game relinquished

some of its treasures during the last nine months – Brian Moore, John Hall and Courage Bitter may not have been to everyone's taste but rugby was enriched by its association with all three – it has failed to free itself from a number of exasperating, potentially ruinous impediments. First among these, of course, is the festering dispute between rival factions at the very heart of the Rugby Football Union, now

to be the subject of a judicial inquiry complete with Crown Court judge. Lock up the lot of them up, I say, and do as you like with the key.

Equally pressing – well, almost – are the concerns over gray-train economics. Several leading English clubs have attracted investment packages of around £2.5m but, at current salary levels, that money will have evaporated by the end of

next season. It does not take Gordon Brown to work out that such flagrant expenditure will end in tears and if the English Rugby Partnership, the newly constituted body now running the top end of the domestic game, is worth even a sprinkling of salt, it will force those under its jurisdiction into some form of wage-capping agreement.

Playing standards will certainly accelerate next season, especially with Richmond and Newcastle giving the inaugural Allied Dunbar Premiership an intriguing and competitive edge, but the fixture madness threatens to undermine progress at every turn.

The French, who have been campaigning all year for less rugby rather than more, held a round of their national championship last Sunday and, in all but one of the eight matches, a single score separated the sides. Now that is quality. Are we too proud to admit that our Continental brethren may be on the right lines?

Season's man of the year and misses

Man of the year Martin Johnson (Leicester). For whatever reason, Johnson took a series of brilliant decisions in the opening minutes of the aforementioned match. It was not such a good idea. For the remainder of a compelling night, the Leicester pack took a severe dislike to all things Leicester. You may win the odd game at Kingsholm, but you don't win many titles.

Man of the year Rob Howley (Leicester). So there was Rob, all on his Jack Jones at Sefton Abbey while the rest of the England squad were listening to tedious speeches at a London hotel. It just about summed up the whole RFU-Epruc dispute: no one managed to get anything quite right.

Coach of the year Rob Smith (Wasps). No one ever talks about Rob Smith, least of all Rob Smith. However, it is a truism to say that Wasps could not conceivably

Contract chaos threatened by Murphy dispute

PAUL STEPHENS

The Rugby Football Union, riven by discontent and factionalism over its handling of the television contract negotiations with BSkyB, could soon become embroiled in another damaging dispute, this time over its own player registration regulations.

At the centre of the controversy is Chris Murphy, the West Hartlepool second row who wants to sign for Sale, and his agent Mike Burton, the Gloucester-based entrepreneur, whose place in rugby record

books was firmly established when, in 1975, he became the first England player to be dismissed in an international.

Burton alleges that the RFU's refusal to deregister Murphy constitutes a restraint of trade and he has threatened legal action. If Burton's claim succeeds, the RFU's attempt to manage a regulated transfer market could be in tatters.

Murphy decided to leave West once they were relegated from the Courage top flight. He chose Sale, who have agreed to pay £45,000, ahead of Newcastle, but before he can move the RFU has to deregister him as

a West player before registering him for his new club. This the RFU will not do until West release Murphy from his contract which has almost two years to run.

"In the first place," Burton said, "Murphy only has a service contract, which contains a period of notice. West were in breach of that contract anyway, when they failed to maintain Murphy's regular salary payments. So, having given West one month's notice, he is now a free agent."

"But this isn't about contracts. It is about the registration regulations. I see players'

contracts almost every day and most of them aren't worth the paper they're written on.

"In the aftermath of the Bosman transfer ruling, the Premier League are having to rewrite all their contracts and rugby might have to do the same, or very soon we will be faced with utter chaos."

The RFU will not agree to deregister a player if he is in dispute – if, for instance, he owes his club money or fails to return a club car. Neither will it do so if there is an unserved period of a contract remaining.

"This is absurd," Burton said. "A contract between a club and

a player has nothing to do with the RFU. I have no wish to go to war, but they must first abide by their own regulations."

"It says clearly in the RFU's handbook that any player holding registration with a club may, upon written application to the registrar, deregister from that club. The player will cease to hold registration 30 days from the receipt of his application."

"Murphy wrote to the RFU on 1 May, so he is free to register for another club on 1 June. By refusing to accept his application, the RFU have violated Article 48 of the Treaty of Rome. Murphy's case consti-

tutes a restraint of trade under European law. I have told the RFU so by letter and informed them that I will take legal action unless they deregister him."

The RFU has already said that it would be better if there was some uniformity of contracts. However, most leading clubs use their own contracts, which are approved by the RFU.

Andrew Hindle, the chairman of West's board of management, said: "Murphy has a contract, which the RFU has seen and we believe to be valid," he said. "For Burton to suggest that Murphy is free to move while two years of his contract are out-

standing is plain daft. We have no intention of standing in Murphy's way. We are willing sellers, Sale are willing buyers, and things have been agreed."

With the new season 14 weeks away, Murphy is in no hurry to sign, knowing that he can expect more favourable personal terms from Sale, if they are not obliged to pay a fee.

Meanwhile, the RFU must decide whether to take seriously Burton's threat of legal action or avoid it by deregistering Murphy. Either way, some redrafting of the registration rules and the acceptance of uniform contracts seems inevitable.

TODAY'S NUMBER

7,550

The amount in pounds won by a punter who, in 1988, placed a £2 bet on a Glasgow branch of the bookmakers, Coral, to win the Scottish Football League title. The odds were 150-1, and he collected his winnings yesterday.

RELAXED

...BECAUSE DIRECT DEBIT IS THE MOST CONVENIENT WAY OF PAYING BILLS AND SHOULD YOU EVER NEED TO, DDs ARE EASILY CANCELLED. JUST CONTACT YOUR BANK.

UK BANKS AND BUILDING SOCIETIES

DIRECT Debit

DD YOUR DOUGH

هكذا من الامم

sport

Rusedski misses his chances

Tennis

JOHN ROBERTS reports from Rome

It could be argued that Britain made a reasonable start to the men's championships at the Italian Open yesterday, given that the condition of Greg Rusedski's wrist was the chief concern.

Rusedski, although defeated by Albert Portas, a Spanish qualifier, 7-6, 7-4, at least had the consolation of experiencing no physical pain. All being well, he will have future opportunities to advance beyond the opening round.

Likewise, we should be grateful at this stage if Tim Henman's elbow proves equal to the test today, regardless of the outcome of his first match for two months. He, too, plays a Spaniard, and the British No 14 seed is well aware that Roberto Carretero is far more dangerous on clay courts than a current world ranking of No 334 suggests.

Rusedski, playing for the first time since retiring hurt during the St Petersburg tournament in March, was disappointed that his form worsened each time he was on the point of taking control.

After breaking for 5-3, he lost his serve to love when the opening set beckoned and was then unable to convert set point in the tie-break at 7-6, stretching to make a volley which flew wide of the baseline. To compound matters, Rusedski hit a smash into the net on Portas's third set point.

The Spaniard saved two break points at 4-4 in the second set, going on to win the tie-break, 7-4, after Rusedski had recovered from 2-4. "I was pleased with the way I served (he delivered 14 aces), but the big points were terrible," Rusedski said. "Usually I fancy myself in two tie-break sets."

Portas, at No 67 ranked 28 places below Rusedski, frequently picked off his opponent's rushes to the net. As Rusedski pointed out, Portas recently had a run of 19 wins on clay, including victories against

Marcelo Rios and Alberto Berasategui.

As a reward for his efforts, Portas will play the winner of today's contest between Pete Sampras and Jim Courier. While Portas and Rusedski dined on No 2 Court yesterday, Courier practised on an adjacent court.

It was while playing Sampras in the final of the San Jose event in February that Rusedski had to retire because of the wrist injury.

"It would have been nice if I could have got a re-match with Sampras," Rusedski mused. Rusedski was not the only mighty server to suffer yesterday. Australia's Mark Philippoussis was eliminated by Karim Alami, of Morocco, 6-2, 6-0 - a far cry from Philippoussis's clay-court triumph in Munich last month. He said at the time that there was no reason why he could not beat anyone he played against, "no matter what surface I play on." Not on this occasion.

Alami was the first player to beat Pete Sampras in 1994, when the world No 1 started his year in Doha, Qatar.

Richard Krajicek, the Wimbledon champion, began brightly in spite of the effects of a flu virus. The Dutchman defeated Diego Nargiso, an Italian wild card, 7-5, 6-3.

Thomas Muster, the holder of the Italian title for the past two years, eased past Marzio Martelli, another home player with wild card, 6-3, 6-2. Muster's win enabled him to balance his clay-court record for the season, 4-4, after a vulnerable start to the campaign on a surface he usually dominates.

"You can't expect me to win every clay court tournament like I have in the last two years," the former world No 1 said. Asked if his sluggish form on clay had been an indirect result of his success on concrete courts earlier in the year, with tournament wins in Dubai and Key Biscayne, he paused before saying, "Maybe it's a question of motivation."

With the French Open less than a fortnight away, Muster is the last player one would expect to need a kick-start.



Greg Rusedski contemplates defeat against Albert Portas yesterday. Photograph: Allsport

Graf to play at Eastbourne

Steffi Graf, the seven times Wimbledon champion, yesterday confirmed that she will play in the Direct Line grass-court tournament in Eastbourne from 16 to 21 June, which takes place the week before Wimbledon.

"I'm going to play Eastbourne now," Graf said as she began her comeback in Berlin. "It's on my list. I would have played there last year if I hadn't had a problem with my knee."

Exactly 100 days after being consigned to the sidelines by a knee injury, Graf was back,

slamming the ball in her first competitive match since being dethroned by Martina Hingis as the world No 1.

Graf was playing in a doubles match on the opening day of the German Open, and was clearly happy to be back in action.

"The moment I stood on the court and hit the first ball in training was unbelievably wonderful," Graf said. "I knew the reason why I've worked these months."

Graf will face Chanda Rubin of the United States either today or tomorrow in her comeback singles match as she tries to win her 10th title in Berlin.

Graf's says that playing again has nothing to do with trying to replace Hingis in the top of rankings. The two were expected to meet here, but Hingis fell off a horse and withdrew.

"Being No 1 isn't a motivation. Sorry can't help you with that," Graf said, and laughed.

Graf's relaxed mood was in sharp contrast to last year, when her father was still jailed on charges of tax evasion and she fought back tears when lifting the winner's trophy.

Robinson's rash charge hands victory to Surrey

Cricket

DAVID LLEWELLYN reports from The Oval Surrey 310-8 v Sussex 299 Surrey win by 11 runs

Ian Salisbury took a gold lining under the clouds here yesterday. The sometime England leg-spinner helped Surrey to topple his former county colleagues in a tight finish to their Benson and Hedges Cup match with a devastating spell of four wickets in six balls.

There was a brave flourish from Paul Jarvis, who thrashed a six and two fours in successive deliveries from Ben Hollis.

In the penultimate over, but a moment of foolishness by the last man, Mark Robinson, who went for a single when all he had to do was stay put and leave the Yorkshireman to hit the dozen runs needed for victory.

The ball struck Robinson's pads and, distracted by the loud appeal for leg before the batsman set off for a single that Jarvis most certainly did not want. Alistair Brown, who had already had a direct hit to run out Keith Greenfield earlier in the innings (a throw from 25 yards), made no mistake from a lot nearer. It was a shame. Jarvis had been well on course for the Gold Award, thanks to his haul of four wickets. As it

was Salisbury took the award, and Surrey go into tomorrow's quarter-final draw.

Even before Jarvis's effort, Surrey had made a fist of it and looked to be well on the way to victory. Neil Taylor thumped 67 in even time. Mark Newell hit his second successive half-century in the competition again at a run a ball, and Rajesh Rao also smashed a useful 61.

But Salisbury first applied the brakes, then broke. Sussex hearts as he bowled Newell, Bill Athey and Nick Phillips before having Amer Khan leg before attempting a sweep.

But the clouds had not been confined to the skies in south London. Alec Stewart was involved in a heated exchange with the umpire, Graham Burgess, when Taylor, on 58, was given out after an appeal for a catch behind. At the end of Jason Ratcliffe's over, Burgess waited for Stewart to reach the other end then spoke to him.

Afterwards, Stewart explained: "The boys started having a go at the batter. I said settle down, never have a go at the batsman. The umpire [Burgess] had a pop at me. A couple of words were exchanged. But after I explained that I was trying to calm the situation down he apologised."

The matter will not be taken further and Stewart had the added satisfaction of scoring his third half-century in five B&H outings this season. His England team-mate Graham Thorpe was top scorer with a well-paced 78 and the pair's form will reassure the England selectors.

Stop-start for Somerset

HENRY BLOFIELD

reports from Lord's Somerset 172-4 v Middlesex

The wretched weather continues. Somerset, who were put in to bat, began their innings at 11 o'clock, and after four interruptions for rain, which added up to almost five hours, were still six wickets and 12 overs from ending it at 6.40 when the weather brought the players in for the last time.

The first hold-up came after eight minutes, by which time Mark Lathwell had been caught at second slip off James Hewitt. Simon Ecclestone soon followed, Yorked by Hewitt. But there was then a good stand of

108 in 140 balls between Michael Burns and Peter Bowler, both of whom cut and drove in fine style.

Burns' 50 came in 72 minutes with five fours and one six - a cover drive into the new Mound Stand - off Angus Fraser. He then tried to pull a ball from Fraser which was too far up and he was caught at mid-on. Fraser bowled an excellent spell with his usual immaculate control, taking 1 for 23 in his 10 overs.

Bowler's 50 arrived after yet another stoppage in 75 balls with seven fives. Soon after that, Graham Rose was caught at first slip trying to run Jacques Kallis to third man and, after Richard Harden had pulled Kallis for six, bad light and rain put everyone out of their misery.

Yorkshire secure home draw

Round-up

Yorkshire guaranteed themselves a place in the quarter-finals of the Benson and Hedges Cup, and a probable home draw, with an emphatic 184-run victory in their Group A match against the Minor Counties at Headingley yesterday.

Yorkshire scored 309 for 5 from their 50 overs with Anthony McGrath compiling a career-best 109 not out. Facing 85 deliveries, he struck three sixes and eight fours and dominated the closing stages with 79 of the 112 runs scored from the final 13 overs.

The openers Steve Dean and

Wayne Larkins put on 63 from 13 overs but Craig White took three wickets in nine deliveries and then the last seven wickets tumbled for 20 runs.

An unbeaten century by the Australian left-hander Matthew Hayden guided Hampshire to their first win of 1997 in the 11th time of asking in all competitions. The battle to avoid the wooden spoon in Group C saw the county strugglers overcome the spirited challenge of the British Universities by seven wickets with nine balls to spare.

Set 285, Hayden finished on 120 not out with support coming from Giles White (56) and Robin Smith (45 off 44 balls) to secure a long overdue victory.

For the students, Umer Rashid hit 82 off 100 balls and Will House blasted 37 off 21 deliveries.

Jeremy Snape took 5 for 32, including three wickets in eight balls, to help Northamptonshire beat Leicestershire by 52 runs and join their victims as qualifiers from Group B.

Surrey's win against Sussex means that even if Gloucestershire reach their target of 240 against Kent at Bristol today they cannot reach the quarter-finals. When rain curtailed Gloucestershire's reply they had reached 25 without loss off 4.2 overs.

There was no play at Derby, Downpatrick or Glasgow.

CRICKET SCOREBOARD

Benson and Hedges Cup One-day matches Sussex Universities v Somerset Sussex Universities won toss Sussex Universities 113 Somerset 112 Total (for 5, 50 overs) Sussex 113-5 (50 overs) Somerset 112-4 (49 overs)	British Universities v Hampshire The FA Cup: Hampshire won by seven wickets British Universities won toss British Universities 113 Hampshire 112 Total (for 5, 50 overs) British Universities 113-5 (50 overs) Hampshire 112-4 (49 overs)	Yorkshire v Minor Counties Headingley: Yorkshire won by 184 runs Yorkshire won toss Yorkshire 309-5 (50 overs) Minor Counties 125-8 (28 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)	Gloucestershire v Kent Bristol: Gloucestershire, with all their players, were bowled out for 44 runs in 10.1 overs Gloucestershire won toss Gloucestershire 44-0 (10.1 overs) Kent 132-8 (30 overs)	Leicestershire v Northamptonshire Leicestershire won toss Leicestershire 184-3 (40 overs) Northamptonshire 132-8 (30 overs)
---	---	---	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--	---

